

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHER DISTRICT OF ILLINOIS
EASTERN DIVISION

KC **FILED**
NOV 26 2007
11-26-2007
MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

THERESA SALAZAR,

Plaintiff,

v.

LIFE INSURANCE COMPANY
OF NORTH AMERICA

Defendant.

No.

07CV6637

JUDGE PALLMEYER

MAGISTRATE JUDGE ASHMAN

COMPLAINT

Now comes the Plaintiff, THERESA SALAZAR, by her attorneys, MARK D. DeBOFSKY and DALEY, DeBOFSKY & BRYANT, and complaining against Defendant, she states:

Jurisdiction and Venue

1. Jurisdiction of the court is based upon the Employee Retirement Income Security Act of 1974 (ERISA); and in particular, 29 U.S.C. §§1132(e)(1) and 1132(f). Those provisions give the district courts jurisdiction to hear civil actions brought to recover benefits due under the terms of an employee welfare benefit plan which, in this case, consists of an employer-sponsored benefit plan which became insured under a group long term disability insurance policy ("Plan") underwritten and insured by Life Insurances Company of North America ("LINA") under Group Policy No. LK0030287 for the benefit of employees of BP Corporation of North America, Inc. ("BP Corporation"). In addition, this action may be brought before this court pursuant to 28 U.S.C. §1331, which gives the district court jurisdiction over actions that arise under the laws of the United States.

2. The ERISA statute provides, at 29 U.S.C. §1133, a mechanism for administrative or internal appeal of benefit denials. Plaintiff has undergone two appeals of the denial of her claim. Accordingly, this matter is ripe for judicial review.

3. Venue is proper in the Northern District of Illinois. 29 U.S.C. §1132(e)(2), 28 U.S.C. §1391.

Nature of Action

4. This is a claim seeking payment of disability income benefits pursuant to a policy of insurance underwritten and insured by LINA to provide Long Term Disability Insurance Benefits (a true and correct copy of which is attached hereto and by that reference incorporated herein as Exhibit “A”) to employees of BP Corporation, under Policy No. LK0030287. This action, seeking recovery of benefits, is brought pursuant to §502(a)(1)(B) of ERISA (29 U.S.C. §1132(a)(1)(B)).

The Parties

5. Theresa Salazar (“Salazar”)(d.o.b. 7/21/1946) is and was a resident of Chicago, Illinois, at all times relevant hereto.

6. As a benefit of her employment, BP Corporation, provided its employees, including Salazar, with long term disability benefits. At all times relevant hereto, BP Corporation has been authorized to and does business in the Northern District of Illinois.

7. At all times relevant hereto, the Plan constituted an “employee welfare benefit plan” as defined by 29 U.S.C. §1002(1); and incident to her employment, Salazar received coverage under the Plan as a “participant” as defined by 29 U.S.C. §1002(7). This claim relates to benefits under the foregoing Plan.

Statement of Facts

8. Salazar was employed an administrative assistant for BP Corporation until she was forced to quit working on July 11, 2005 due to arthritis status/postoperative hip and knee replacement, obstructive sleep apnea, aneurysm in the cavernous sinus, major depression and hypertension.

9. Subsequent to ceasing employment, Salazar made a claim for benefits under the Plan, first for Short Term Disability (“STD”) benefits, which she received for 6 months, and then for long term disability (“LTD”) benefits under the Plan, stating that due to her condition, on or about July 11, 2005, and continuing to the present without interruption, she met the Plan definition of “disability,” which states in relevant part:

Under the LINA policy, “you are considered Disabled if, solely because of Injury or Sickness, you are either:

- 1) you are unable to perform the material duties of your own job as performed at BP or a Qualified Alternative; or*
- 2) unable to earn 80% or more of your Indexed Covered Earnings.*

The job you routinely perform at the time Disability begins.

After Disability Benefits have been payable for 24 months, you are considered Disabled if, solely due to Injury or Sickness, you are either:

- 1) unable to perform all the material duties of any Occupation for which you are, or may reasonably become, qualified based on education, training, or experience, or*
- 2) unable to earn 80% or more of your Indexed Covered Earnings.*

We will require proof of earnings and continued Disability.”

(Exhibit “A”)

Salazar supported her claim for benefits with numerous medical records and reports, as well as other evidence certifying disability.

10. Salazar concurrently applied for Social Security benefits. With the assistance of an agent of LINA who advocated on her behalf, in April 2007 the Social Security Administration

concluded that Salazar was disabled and awarded her benefits, thus signifying her inability to engage in “any substantial gainful activity.” (42 U.S.C. §423(d)(1)(A) – definition of “disabled” in Social Security Act).

11. Despite having initially paid benefits (STD), without any evidence of medical improvement, LINA ceased paying benefits on February 9, 2006, and denied and refused to pay Salazar LTD benefits on May 8, 2006.

12. After the Plan refused to pay benefits, Salazar submitted an administrative appeal to LINA which included additional medical evidence supporting her ongoing disability. However, despite the foregoing, on April 24, 2007, LINA upheld its benefit termination.

13. After the Plan again denied the payment of benefits, Salazar submitted another appeal. However, despite the foregoing, on November 6, 2007, LINA upheld its benefit denial. At this point, all avenues of administrative appeal have now been exhausted.

14. The determination by LINA is contrary to the terms of the welfare benefit plan and has no rational support in evidence. That decision was also contrary to the reports of all treating and examining physicians and their assessment.

15. As a direct and proximate result thereof, based on the evidence submitted to LINA establishing that Salazar has met the Plan definitions of “disability” continuously since the onset of his disability, and that she continues to meet that definition, Plaintiff is entitled to payment of monthly disability insurance payments plus interest on all overdue payments at the statutory rate of 9% in accordance with 215 ILCS 5/357.9.

15. In addition, Defendant should be judicially estopped from maintaining its denial in accordance with *Ladd v. ITT Corp.*, 148 F.3d 753 (7th Cir. 1998), since LINA, through an

agent, advocated Salazar's total disability in the Social Security Administration, yet denied her disability under a more lenient "any occupation" definition of disability.

WHEREFORE, Plaintiff prays for the following relief:

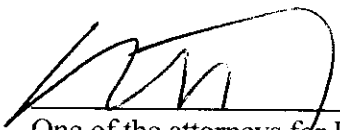
A. That the court enter judgment in Plaintiff's favor and against the defendant and that the court order the defendant to pay disability income benefits to Plaintiff in an amount equal to the contractual amount of benefits to which she is entitled;

B. That the court order the Defendant to pay Plaintiff prejudgment interest on all benefits that have accrued prior to the date of judgment at a rate of 9% pursuant to 215 ILCS 5/357.9;

C. That the court order Defendant to continue paying Plaintiff benefits so long as she continues to meet the policy terms and conditions for payment of benefits;

D. That the court award Plaintiff attorney's fees pursuant to 29 U.S.C. §1132(g); and

E. That Plaintiff recover any and all other relief to which she may be entitled, as well as the costs of suit.


One of the attorneys for Plaintiff

Mark D. DeBofsky
Daley, DeBofsky & Bryant
55 W. Monroe St., Ste 2440
Chicago, Illinois 60603
(312) 372-5200
FAX (312) 372-2778

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust - III
(herein called the Policyholder)

Policy No.: LK 030287

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective March 1, 2005, the following Core Benefit rates will be in force for all classes for coverage under the Policy:

Core Benefit \$0.462 per \$100 Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

2. Effective March 1, 2005, the **Disability Benefit Calculation** section for each class is hereby replaced with the following:

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

In the event of an occupational injury, an Employee may make up to 100% of their pre-disability earnings for up to 24 months.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

3. Effective April 1, 2005, the following Core Benefit rates will be in force for all classes for coverage under the Policy:

Core Benefit \$0.311 per \$100 Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

No change in rates will be made until 36 months after the effective date of this Amendment. However, the Company reserves the right to change the rates at any time during a period for which the rates are guaranteed if the conditions described in the Changes in Premiums Rates provision of the Policy apply.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY



By: Gregory H. Wolf, President

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust - III
(herein called the Policyholder)

Policy No.: LK 030287

This Amendment will be in effect on the Effective Date(s) shown below only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

Effective April 1, 2005, the section entitled **Other Income Benefits** is hereby amended as follows:

Other Income Benefits – Applies to all classes except Class 9

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under"
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory "No-Fault" auto insurance;
 - any worker's compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;
3. any distribution from the BP Retirement Accumulation Plan (BP RAP). This offset will be applied to reduce the Employee's LTD Plan benefit whether the Employee receives his or her BP RAP distribution in hand or chooses to roll it over. To calculate the amount the Employee's LTD Plan benefit will be offset, the Employee's BP RAP distribution will be converted into a single life annuity. The Employee's LTD Plan benefit will not be offset for any other distribution from a BP sponsored employee benefit program (e.g. BP Employee Savings Plan or any other employees savings plan, any non-qualified plan, deferred compensation plan or stock option plan). To avoid having the Employee's LTD Plan benefit offset, the Employee must defer his or her distribution from the BP RAP until the Employee is no longer eligible to receive an LTD benefit;
4. any proceed payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay its pro rata share of the total claim. "Pro rata share" means the portion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration, or otherwise, where a third party may be liable, regardless of whether liability is determined;

6. any Disability Earnings. If the Work Incentive Benefit Calculation applies to the Employee, the Insurance Company will only reduce the Employee's Disability Benefits by Disability Earnings to the extent provided under the Employee's Work Incentive Benefit Calculation;
7. for all Classes except 2 and 5, any benefit received under the Employer's salary continuance or Short Term Disability plans.

Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee's entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY

A handwritten signature in black ink, appearing to read "Gregory H. Wolf", with a stylized flourish at the end.

By: Gregory H. Wolf, President

Date: July 11, 2005

Amendment No. 20

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust - III
(herein called the Policyholder)

Policy No.: LK 30287

This Amendment will be in effect on April 1, 2005, only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. The EFFECTIVE DATE OF INSURANCE provision is hereby amended as follows:

EFFECTIVE DATE OF INSURANCE

An Employee will be insured on the date he or she becomes eligible, if the Employee is not required to contribute to the cost of this insurance.

An Employee who is required to contribute to a portion of the cost of this insurance may elect to be insured for optional insurance only by authorizing payroll deduction in a form approved by the Employer and the Insurance Company. The effective date of this optional insurance depends on the date coverage is elected.

Insurance for an Employee who applies for coverage within 45 days after he or she becomes eligible is effective on the date the Employee becomes eligible for coverage.

If an Employee is not in Active Service on the date insurance would otherwise be effective, it will be effective on the date he or she returns to any occupation for the Employer.

TL-004712(30287)

2. The Active Service definition in the DEFINITIONS section is hereby amended as follows:

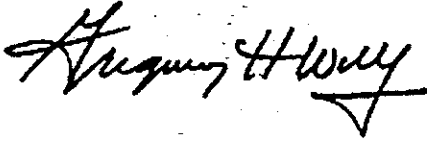
Active Service

An Employee will be considered in Active Service with the Employer on a day which is one of the Employer's scheduled work days if either of the following conditions are met.

1. He or she is actively at work. This means the Employee is performing his or her regular occupation for the Employer, either at one of the Employer's usual places of business or at some location to which the Employer's business requires the Employee to travel.
2. The day is a scheduled holiday, vacation day or period of Employer approved paid leave of absence. An Employee is on an approved leave of absence for purposes of this policy if he/she is on a leave of absence for less than 6 months and is in receipt of pay from BP.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY

A handwritten signature in black ink, appearing to read "Gregory H. Wolf", with a stylized flourish at the end.

By: Gregory H. Wolf, President

Date: May 9, 2005

Amendment No. 19

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Policy No.: LK 30287

This Amendment will be in effect on the Effective Date(s) shown below only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective April 1, 2005, the following shall be added to the list of Affiliates under the Policy:
O&D USA LLC
2. Effective June 1, 2005, the following shall be added to the list of Affiliates under the Policy:
Innovene USA LLC
3. Effective June 1, 2005, the following shall be deleted from the list of Affiliates under the Policy:
O&D USA LLC

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY



By: Gregory H. Wolf, President

Date: March 30, 2005

Amendment No. 18

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Policy No.: LK 30287

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective December 1, 2004, Class 3 is terminated.
2. Effective December 1, 2004, the following shall be deleted from the list of Affiliates under the Policy:

Amoco Fabrics and Fibers Company
Amoco Fabrics and Fibers Ltd. (Canada)
Castrol North America Inc.
3. Effective December 1, 2004, the following shall be added to the list of Affiliates under the Policy:

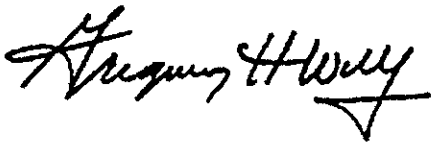
BP Lubricants USA Inc.
4. Effective January 1, 2005, the following shall be deleted from the list of Affiliates under the Policy:

Castrol Heavy Duty Lubricants Inc.
5. Effective April 1, 2005, the following shall be added to the list of Affiliates under the Policy:

BP Solar International Inc.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY



By: Gregory H. Wolf, President

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust - III
(herein called the Policyholder)

Policy No.: LK 030287

This Amendment will be in effect on the Effective Date(s) shown below only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

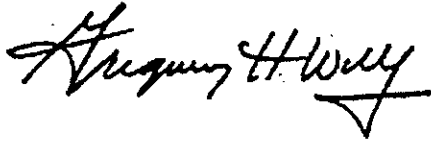
Effective April 1, 2005, the following rates will be in force for all classes for coverage under the Policy:

Core Benefit	\$0.281 per \$100 of Covered Payroll
Buy-Up Option 1	
18 - 39	\$0.070 per \$100 of Covered Payroll
40 - 44	\$0.111 per \$100 of Covered Payroll
45 - 49	\$0.152 per \$100 of Covered Payroll
50 - 54	\$0.176 per \$100 of Covered Payroll
55 - 59	\$0.199 per \$100 of Covered Payroll
60 - 64	\$0.176 per \$100 of Covered Payroll
65 - 69	\$0.164 per \$100 of Covered Payroll
70 +	\$0.152 per \$100 of Covered Payroll
Buy-Up Option 2	
18 - 39	\$0.094 per \$100 of Covered Payroll
40 - 44	\$0.152 per \$100 of Covered Payroll
45 - 49	\$0.211 per \$100 of Covered Payroll
50 - 54	\$0.281 per \$100 of Covered Payroll
55 - 59	\$0.246 per \$100 of Covered Payroll
60 - 64	\$0.246 per \$100 of Covered Payroll
65 - 69	\$0.234 per \$100 of Covered Payroll
70 - +	\$0.211 per \$100 of Covered Payroll

No change in rates will be made until 36 months after the effective date of this Amendment. However, the Company reserves the right to change the rates at any time during a period for which the rates are guaranteed if the conditions described in the Changes in Premium Rates section under the ADMINISTRATIVE PROVISIONS provision of the Policy apply.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY

A handwritten signature in black ink, appearing to read "Gregory H. Wolf". The signature is written in a cursive style with a large, stylized initial 'G'.

By: Gregory H. Wolf, President

Date: November 4, 2004

Amendment No. 16

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust - III
(herein called the Policyholder)

Policy No.: LK 30287

This Amendment will be in effect on the Effective Date(s) shown below only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

Effective April 1, 2000, the section entitled EFFECTIVE DATE OF INSURANCE is hereby amended to read as follows:

— **EFFECTIVE DATE OF INSURANCE**

An Employee will be insured on the date he or she becomes eligible, if the Employee is not required to contribute to the cost of this insurance.

An Employee who is required to contribute to the cost of this insurance may elect to be insured for optional insurance only by authorizing payroll deduction in a form approved by the Employer and the Insurance Company. The effective date of this optional insurance depends on the date the coverage is elected.

Insurance for an Employee who applies for coverage within 45 days after he or she becomes eligible is effective on the latest of the following dates.

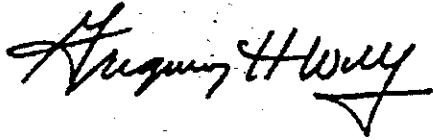
1. The Policy Effective Date
2. The date payroll deduction is authorized.
3. The date the Employer or Insurance Company receives the completed enrollment form.

If an Employee's enrollment form is received more than 45 days after he or she is eligible for this insurance, the Insurability Requirement must be satisfied before this insurance is effective. If approved, this insurance is effective on the date the Insurance Company agrees in writing to insure the Employee.

If an Employee is not in Active Service on the date the insurance would otherwise become effective, it will effective on the date he or she returns to any occupation for the Employer.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY

A handwritten signature in black ink, appearing to read "Gregory H. Wolf". The signature is stylized with a large, looped "G" and a long, sweeping underline.

By:

Gregory H. Wolf, President

Date: August 4, 2004

Amendment No. 15

TL-004780

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: April 1, 2000

The Amendment will be in effect only for eligible Employees in Active Service on the Effective Date shown above. If an Employee is not in Active Service on the date he or she would otherwise become eligible, the Employee will become eligible on the date he or she returns to Active Service provided any required Waiting Period has been satisfied.

As of the Effective Date shown above, the Company and the Policyholder hereby agree that the Policy is amended as follows:

1. The section entitled **Other Income Benefits** is hereby amended to add the following:

Other Income Benefits

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory "No-Fault" auto insurance;
 - any workers' compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;
3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee's Disability Benefits by Disability Earnings to the extent provided under the Employee's Work Incentive Benefit Calculation;

7. Any distribution made from the BP Retirement Accumulation Plan (RAP) while the Employee is receiving benefits under the LTD plan – regardless of whether the Employee elects to roll over the distribution to an IRA or another qualified retirement plan or whether the Employee elects the distribution in a lump sum or any annuity form – will be considered “disability income” which will offset the Employee’s LTD plan benefits. The distribution from the BP RAP will be converted to a single life annuity, age reduced based on the Employee’s age at the time the BP RAP distribution was elected. The Employee can avoid having this offset apply to potentially reduce his or her LTD plan benefits if the Employee decides to defer receipt of his or her BP RAP benefits until the Employee is no longer eligible to receive LTD plan benefits.

Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee’s entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

2. The section entitled **Other Income Benefits** is hereby amended to add the following:

Other Income Benefits – Class 7 only –

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory “No-Fault” auto insurance;
 - any workers’ compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;
3. any Retirement Plan benefits funded by the Employer. “Retirement Plan” means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. “Pro rata share” means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee’s Disability Benefits by Disability Earnings to the extent provided under the Employee’s Work Incentive Benefit Calculation;

7. Any age 65 single-life annuity from the Employer retirement plan. This reduction will occur even though the amount an Employee is actually entitled to receive from the retirement plan is based on his or her current age may be less and he or she may receive some other form of payment, such as a lump sum or a joint and survivor annuity. If an Employee defers receipt of his or her retirement plan benefit, the reduction in LTD benefits will not occur until the Employee receives his or her retirement plan benefit.

Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee's entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:

A handwritten signature in black ink, appearing to read "Gregory H. Wolf", with a stylized flourish at the end.

Gregory H. Wolf, President

Date: July 30, 2004
Revised August 2, 2004
Revised August 19, 2004
Revised October 11, 2004
Amendment No. 14

LIFE INSURANCE COMPANY OF NORTH AMERICA

– (herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

The Amendment will be in effect only for eligible Employees in Active Service on the Effective Date shown above. If an Employee is not in Active Service on the date he or she would otherwise become eligible, the Employee will become eligible on the date he or she returns to Active Service provided any required Waiting Period has been satisfied.

As of the Effective Date shown above, the Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective March 9, 2004, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is amended to add the following Class as follows:

<u>Class</u>	<u>Description</u>
9	All active, Full-time Employees of BP Products North America Inc. Air BP Division in Puerto Rico working a minimum of 30 hours per week, Part-time BP Employees of BP Products North America Inc. Air BP Division in Puerto Rico working a minimum of 20 hours per week, and term contract BP Employees, excluding Employees of BP Products North America Inc. Air BP Division in Puerto Rico who are covered by a collective bargaining agreement, and retail at site Employees.

2. Effective March 9, 2004, in accordance with the above, the section entitled **SCHEDULE OF BENEFITS FOR CLASS 9** is hereby added. The **SCHEDULE OF BENEFITS FOR CLASS 9** is attached to this Amendment.
3. Effective March 9, 2004, the section entitled **Other Income Benefits** is hereby amended to add the following:

Other Income Benefits – For Class 9 only

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory "No-Fault" auto insurance;
 - any workers' compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;

3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee=s Disability Benefits by Disability Earnings to the extent provided under the Employee=s Work Incentive Benefit Calculation;
7. for all Classes except 2 and 5, any benefits received under the Employer=s salary continuance or Short Term Disability plans.

Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee=s entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

4. Effective April 1, 2004, the section entitled **Definition of Covered Earnings** under the heading **SCHEDULE OF BENEFITS FOR CLASS 9** is hereby amended to read as follows:

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus commissions paid in the previous calendar year and bonuses or similar payments under an annual incentive plan awarded in the previous calendar year.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: July 16, 2004

Revised: September 27, 2004

Revised: June 20, 2005

Amendment No. 13

SCHEDULE OF BENEFITS FOR CLASS 9**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her own job as performed at BP or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The job the Employee routinely performs at the time the Disability begins.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any Occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded or deferred under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period 6 months

Gross Disability Benefit

Core Benefit: The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 1 Benefit: The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 2 Benefit: The lesser of 65% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit: \$20,000 per month
Option 1 Benefit: \$20,000 per month
Option 2 Benefit: \$20,000 per month

Minimum Disability Benefit

Core Benefit: \$100 per month
Option 1 Benefit: \$100 per month
Option 2 Benefit: \$100 per month

Disability Benefit Calculation —

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit PeriodAge When Disability Begins

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates**Core Benefit:**

\$.432 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.108 per \$100 of Covered Payroll
Ages 40-44:	\$.171 per \$100 of Covered Payroll
Ages 45-49:	\$.234 per \$100 of Covered Payroll
Ages 50-54:	\$.27 per \$100 of Covered Payroll
Ages 55-59:	\$.306 per \$100 of Covered Payroll
Ages 60-64:	\$.27 per \$100 of Covered Payroll
Ages 65-69:	\$.252 per \$100 of Covered Payroll
Ages 70 and older:	\$.234 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.144 per \$100 of Covered Payroll
Ages 40-44:	\$.234 per \$100 of Covered Payroll
Ages 45-49:	\$.324 per \$100 of Covered Payroll
Ages 50-54:	\$.432 per \$100 of Covered Payroll
Ages 55-59:	\$.378 per \$100 of Covered Payroll
Ages 60-64:	\$.378 per \$100 of Covered Payroll
Ages 65-69:	\$.36 per \$100 of Covered Payroll
Ages 70 and older:	\$.324 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

TL-004774

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: See Below.

This Amendment will be in effect on the Effective Date shown above only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective January 1, 2004, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is hereby changed to read as follows:

<u>Class</u>	<u>Description</u>
1	All active, Full-time BP Employees, Castrol Employees hired on or after 1/1/2004, and BP Employees transferred to Castrol effective 1/1/2004, working a minimum of 30 hours per week, Part-time BP Employees working a minimum of 20 hours per week, and term contract BP Employees, excluding retail at site Employees.

2. Effective April 1, 2004, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is hereby changed to read as follows:

<u>Class</u>	<u>Description</u>
1	All active, Full-time BP Employees working a minimum of 30 hours per week, Part-time BP Employees working a minimum of 20 hours per week, and term contract BP Employees, excluding retail at site Employees.

3. Effective April 1, 2004, for all Classes except Class 3, the section entitled **Definition of Disability** is hereby changed to read as follows:

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her own job as performed at BP or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The job the Employee routinely performs at the time the Disability begins.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any Occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

4. Effective April 1, 2004, for all Classes except Class 3, the section entitled **Regular Occupation** is hereby changed to read as follows:

Occupation

The occupation the Employee routinely performs at the time the Disability begins. In evaluating the Disability, the Insurance Company will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

5. Effective April 1, 2004, the section entitled **Definition of Covered Earnings**, as set forth on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 1, 3, and 4**, is hereby changed to read as follows:

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus commissions paid in the previous calendar year and bonuses or similar payments under an annual incentive plan awarded in the previous calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

6. Effective April 1, 2004, the section entitled **Definition of Covered Earnings**, as set forth on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 6** is hereby changed to read as follows:

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus commissions paid in the previous calendar year, bonuses or similar payments under an annual incentive plan awarded in the previous calendar year, and estimated scheduled overtime based on 724 hours times the hourly rate.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

7. Effective April 1, 2004, the section entitled **Definition of Covered Earnings**, as set forth on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 8** is hereby changed to read as follows:

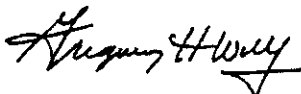
Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus commissions paid in the previous calendar year and bonuses or similar payments under an annual incentive plan awarded in the previous calendar year, plus fire brigade pay awarded in the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: March 23, 2004
Revised Date: April 2, 2004
Amendment No. 12

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: January 1, 2003.

The Amendment will be in effect only for eligible Employees in Active Service on the Effective Date shown above. If an Employee is not in Active Service on the date he or she would otherwise become eligible, the Employee will become eligible on the date he or she returns to Active Service provided any required Waiting Period has been satisfied.

As of the Effective Date shown above, the Company and the Policyholder hereby agree that the Policy is amended as follows:

1. The section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is amended to add the following Class as follows:

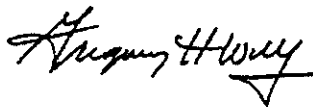
<u>Class</u>	<u>Description</u>
8	All active, Full-time BP Employees working a minimum of 30 hours per week, Part-time BP Employees working a minimum of 20 hours per week, and term contract BP Employees, who are represented by a union and working at the Carson Business Unit.

2. In accordance with the above, the section entitled **SCHEDULE OF BENEFITS FOR CLASS 8** is hereby added. The **SCHEDULE OF BENEFITS FOR CLASS 8** is attached to this Amendment.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: March 23, 2004
Revised Date: April 2, 2004
Revised Date: July 30, 2004
Amendment No. 11

SCHEDULE OF BENEFITS FOR CLASS 8**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus any annual incentive bonuses awarded or deferred during the prior calendar year, plus fire brigade pay awarded in the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period 6 months

Gross Disability Benefit

Core Benefit: The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 1 Benefit: The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 2 Benefit: The lesser of 65% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit: \$20,000 per month
Option 1 Benefit: \$20,000 per month
Option 2 Benefit: \$20,000 per month

Minimum Disability Benefit

Core Benefit: \$100 per month
Option 1 Benefit: \$100 per month
Option 2 Benefit: \$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit PeriodAge When Disability Begins

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates

Core Benefit: \$.48 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.12 per \$100 of Covered Payroll
Ages 40-44:	\$.19 per \$100 of Covered Payroll
Ages 45-49:	\$.26 per \$100 of Covered Payroll
Ages 50-54:	\$.30 per \$100 of Covered Payroll
Ages 55-59:	\$.34 per \$100 of Covered Payroll
Ages 60-64:	\$.30 per \$100 of Covered Payroll
Ages 65-69:	\$.28 per \$100 of Covered Payroll
Ages 70 and older:	\$.26 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.16 per \$100 of Covered Payroll
Ages 40-44:	\$.26 per \$100 of Covered Payroll
Ages 45-49:	\$.36 per \$100 of Covered Payroll
Ages 50-54:	\$.48 per \$100 of Covered Payroll
Ages 55-59:	\$.42 per \$100 of Covered Payroll
Ages 60-64:	\$.42 per \$100 of Covered Payroll
Ages 65-69:	\$.40 per \$100 of Covered Payroll
Ages 70 and older:	\$.36 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

TL-004774

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: See Below.

The Amendment will be in effect only for eligible Employees in Active Service on the Effective Date shown above. If an Employee is not in Active Service on the date he or she would otherwise become eligible, the Employee will become eligible on the date he or she returns to Active Service provided any required Waiting Period has been satisfied.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective April 1, 2000, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is amended to add the following Class as follows:

<u>Class</u>	<u>Description</u>
7	All active, Full-time BP Fabrics and Fibers Employees working a minimum of 30 hours per week, Part-time BP Fabrics and Fibers Employees working a minimum of 20 hours per week, and term contract BP Fabrics and Fibers Employees, excluding retail at site Employees.

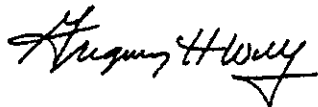
2. Effective April 1, 2000, in accordance with the above, the section entitled **SCHEDULE OF BENEFITS FOR CLASS 7** is hereby added. The **SCHEDULE OF BENEFITS FOR CLASS 7** is attached to this Amendment.
3. Effective, April 1, 2000, all other policy provisions that apply to Class 1 will apply to Class 7.
4. Effective September 1, 2003, Class 7 is terminated.
5. Effective September 1, 2003, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is hereby changed to read as follows:

<u>Class</u>	<u>Description</u>
1	All active, Full-time BP Employees working a minimum of 30 hours per week, Part-time BP Employees working a minimum of 20 hours per week, and term contract BP Employees, excluding retail at site Employees.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: March 23, 2004

Revised Date: April 2, 2004

Amendment No. 10

SCHEDULE OF BENEFITS FOR CLASS 7**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period 6 months

Gross Disability Benefit

Core Benefit: The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Optional Benefit: The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit: \$20,000 per month

Optional Benefit: \$20,000 per month

Minimum Disability Benefit

Core Benefit: \$100 per month

Optional Benefit: \$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit Period

Age When Disability Begins

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates

Core Benefit: \$41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Optional Benefit:

Ages 18-39:	\$10 per \$100 of Covered Payroll
Ages 40-44:	\$16 per \$100 of Covered Payroll
Ages 45-49:	\$22 per \$100 of Covered Payroll
Ages 50-54:	\$26 per \$100 of Covered Payroll
Ages 55-59:	\$29 per \$100 of Covered Payroll
Ages 60-64:	\$26 per \$100 of Covered Payroll
Ages 65-69:	\$24 per \$100 of Covered Payroll
Ages 70 and older:	\$22 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

TL-004774

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Policy No.: LK-030287

This Amendment will be in effect on the Effective Date(s) shown below only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective July 1, 2003, the following list of Affiliates replaces those Affiliates currently shown in the Policy:

BP Corporation North America Inc.
BP West Coast Products LLC
BP Products North America Inc.
BP Pipelines (North America) Inc.
BP Exploration (Alaska) Inc.
BP Chemicals Inc.
BP America Production Company
Amoco Fabrics and Fibers Company
Amoco Fabrics and Fibers Ltd. (Canada)
Atlantic Richfield Company
Dome Petroleum Corporation
BP Amoco Chemical Company

2. Effective January 1, 2004, the following shall be added to the list of Affiliates under the Policy:

ARCO Aluminum, Inc.
Castrol Industrial North America Inc.
Castrol Caribbean and Central America Inc.
Castrol North America Inc.
Castrol Heavy Duty Lubricants Inc.
Burmah Castrol Holdings Inc.
Burmah Technical Services, Inc.

3. Effective January 1, 2004, the following shall be deleted from the list of Affiliates under the Policy:

BP Chemicals Inc.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY



By:

Gregory H. Wolf, President

TL-004780

Amendment No. 9

December 5, 2003

Revised Date: April 2, 2004

Revised Date: July 13, 2004

Revised Date: August 9, 2005

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: April 1, 2003

The Company and the Policyholder hereby agree that the Policy is amended as follows:

As of the Amendment Effective Date shown above, the following rates will be in force for coverage under the Group Policy.

Premium Rates

Core Benefit: \$.432 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.108 per \$100 of Covered Payroll
Ages 40-44:	\$.171 per \$100 of Covered Payroll
Ages 45-49:	\$.234 per \$100 of Covered Payroll
Ages 50-54:	\$.27 per \$100 of Covered Payroll
Ages 55-59:	\$.306 per \$100 of Covered Payroll
Ages 60-64:	\$.27 per \$100 of Covered Payroll
Ages 65-69:	\$.252 per \$100 of Covered Payroll
Ages 70 and older:	\$.234 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.144 per \$100 of Covered Payroll
Ages 40-44:	\$.234 per \$100 of Covered Payroll
Ages 45-49:	\$.324 per \$100 of Covered Payroll
Ages 50-54:	\$.432 per \$100 of Covered Payroll
Ages 55-59:	\$.378 per \$100 of Covered Payroll
Ages 60-64:	\$.378 per \$100 of Covered Payroll
Ages 65-69:	\$.36 per \$100 of Covered Payroll
Ages 70 and older:	\$.324 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

No changes in rates will be made until 24 months after the effective date of this Amendment. However, the Company reserves the right to change the rates at any time during a period for which the rates are guaranteed if the conditions described in the provision of the Policy apply.

Except for the above, this amendment does not change the Policy in any way.

It is agreed that the Amendment will be made a part of the Policy, but not unless both the Company and the Policyholder have hereto affixed their respective signatures.

FOR THE COMPANY

A handwritten signature in black ink, appearing to read "Gregory H. Wolf". The signature is written in a cursive style with a large, stylized 'G' and 'W'.

By:

Gregory H. Wolf, President

Date: December 4, 2003
Revised Date: July 13, 2004
Amendment No. 8

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: See Below.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

As of the Amendment Effective Date shown above, the following rates will be in force for coverage under the Group Policy.

1. Effective January 1, 2002 for all Classes, the section entitled **Premium Rate** for the **Core Benefit** is hereby changed to read as follows:

Premium Rates

Core Benefit: \$.50 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

2. Effective April 1, 2002 for all Classes, the section entitled **Premium Rate** for the **Core Benefit** is hereby changed to read as follows:

Premium Rates

Core Benefit: \$.48 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

3. Effective April 1, 2002, the section entitled **Premium Rate** for the **Option 1 Benefit** and the **Option 2 Benefit**, as set forth under the headings **SCHEDULE OF BENEFITS FOR CLASSES 1, 4, 6, and 7**, is hereby changed to read as follows:

Premium Rates**Option 1 Benefit:**

Ages 18-39:	\$.12 per \$100 of Covered Payroll
Ages 40-44:	\$.19 per \$100 of Covered Payroll
Ages 45-49:	\$.26 per \$100 of Covered Payroll
Ages 50-54:	\$.30 per \$100 of Covered Payroll
Ages 55-59:	\$.34 per \$100 of Covered Payroll
Ages 60-64:	\$.30 per \$100 of Covered Payroll
Ages 65-69:	\$.28 per \$100 of Covered Payroll
Ages 70 and older:	\$.26 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.16 per \$100 of Covered Payroll
Ages 40-44:	\$.26 per \$100 of Covered Payroll
Ages 45-49:	\$.36 per \$100 of Covered Payroll
Ages 50-54:	\$.48 per \$100 of Covered Payroll
Ages 55-59:	\$.42 per \$100 of Covered Payroll
Ages 60-64:	\$.42 per \$100 of Covered Payroll
Ages 65-69:	\$.40 per \$100 of Covered Payroll
Ages 70 and older:	\$.36 per \$100 of Covered Payroll

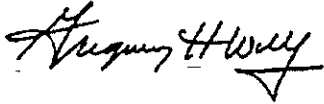
Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

Except for the above, this amendment does not change the Policy in any way.

It is agreed that the Amendment will be made a part of the Policy, but not unless both the Company and the Policyholder have hereto affixed their respective signatures.

FOR THE COMPANY

By:



Gregory H. Wolf, President

FOR THE POLICYHOLDER

By:

Signature

Title

Date: July 17, 2002
Revised Date: March 23, 2004
Amendment No. 7

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: January 1, 2002

This Amendment will be in effect on the Effective Date shown above only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his or her insurance would otherwise become effective, it will be effective on the date he or she returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. The section entitled **Other Income Benefits** is hereby changed to read as follows:

Other Income Benefits

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory "No-Fault" auto insurance;
 - any workers' compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;
3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee's Disability Benefits by Disability Earnings to the extent provided under the Employee's Work Incentive Benefit Calculation;

7. any age 65 single-life annuity from the Employer's retirement plan. This reduction will occur even though the amount an Employee is actually entitled to receive from the retirement plan based on his or her current age may be less and he or she may receive some other form of payment, such as a lump sum or a joint and survivor annuity. If an Employee defers receipt of his or her retirement plan benefit, the reduction in LTD benefits will not occur until the Employee receives his or her retirement plan benefit.
8. For Employees in Classes 1, 3, 4, 6, and 7, any benefits received under the Employer's salary continuance or Short Term Disability plans.

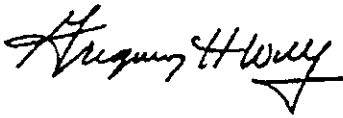
Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee's entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:

A handwritten signature in black ink, appearing to read "Gregory H. Wolf", with a stylized flourish at the end.

Gregory H. Wolf, President

Date: February 24, 2003
Revised Date: March 24, 2004
Amendment No. 6

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: July 1, 2002

This Amendment will be in effect on the Effective Date shown above only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his or her insurance would otherwise become effective, it will be effective on the date he or she returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

As of the Amendment Effective Date shown above, the Classes of Eligible Employees is amended as follows:

<u>Class</u>	<u>Description</u>
1	All active, Full-time BP Employees working a minimum of 30 hours per week, Part-time BP Employees working a minimum of 20 hours per week, and term contract BP Employees, excluding retail at site Employees, and Fabrics and Fibers Employees.
2	All active, Full-time union Employees of BP Toledo Refinery working a minimum number of hours per week as defined by the Employer. (Closed Class Effective June 30, 2002.)
5	All part-time and temporary union Employees of the BP Toledo Refinery who become disabled as a result of an Injury or Sickness that is work related. (Closed Class Effective June 30, 2002.)

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: January 22, 2003

Revised Date: August 11, 2003

Revised Date: March 23, 2004

Amendment No. 5

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: January 1, 2002

The Amendment will be in effect only for eligible Employees in Active Service on the Effective Date shown above. If an Employee is not in Active Service on the date he or she would otherwise become eligible, the Employee will become eligible on the date he or she returns to Active Service provided any required Waiting Period has been satisfied.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

As of the Amendment Effective Date shown above:

1. The section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is amended to add the following Class as follows:

<u>Class</u>	<u>Description</u>
6	All active, hourly and non-exempt Employees of BP Exploration (Alaska) Inc. and BP America Production Company working in field operations in Alaska and working a minimum number of hours per week as defined by the Employer, excluding hourly and/or non-exempt Employees working in Anchorage facilities.

2. In accordance with the above, the section entitled **SCHEDULE OF BENEFITS FOR CLASS 6** is hereby added. The **SCHEDULE OF BENEFITS FOR CLASS 6** is attached to this Amendment.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: July 16, 2002

Revised Date: November 5, 2003

Revised Date: March 23, 2004

Revised Date: July 13, 2004

Amendment No. 4

SCHEDULE OF BENEFITS FOR CLASS 6

Eligibility Waiting Period

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded or deferred under an annual incentive plan during the prior calendar year and estimated scheduled overtime based on 724 hours times the hourly rate.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period 6 months

Gross Disability Benefit

Core Benefit: The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 1 Benefit: The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 2 Benefit: The lesser of 65% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit: \$20,000 per month
Option 1 Benefit: \$20,000 per month
Option 2 Benefit: \$20,000 per month

Minimum Disability Benefit

Core Benefit: \$100 per month
Option 1 Benefit: \$100 per month
Option 2 Benefit: \$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit PeriodAge When Disability Begins

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates**Core Benefit:**

\$.50 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.10 per \$100 of Covered Payroll
Ages 40-44:	\$.16 per \$100 of Covered Payroll
Ages 45-49:	\$.22 per \$100 of Covered Payroll
Ages 50-54:	\$.26 per \$100 of Covered Payroll
Ages 55-59:	\$.29 per \$100 of Covered Payroll
Ages 60-64:	\$.26 per \$100 of Covered Payroll
Ages 65-69:	\$.24 per \$100 of Covered Payroll
Ages 70 and older:	\$.22 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.14 per \$100 of Covered Payroll
Ages 40-44:	\$.22 per \$100 of Covered Payroll
Ages 45-49:	\$.31 per \$100 of Covered Payroll
Ages 50-54:	\$.36 per \$100 of Covered Payroll
Ages 55-59:	\$.41 per \$100 of Covered Payroll
Ages 60-64:	\$.36 per \$100 of Covered Payroll
Ages 65-69:	\$.34 per \$100 of Covered Payroll
Ages 70 and older:	\$.31 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

TL-004774

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: See Below.

This Amendment will be in effect on the Effective Date shown above only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective September 1, 2001, the section entitled **Reinstatement of Insurance**, as set forth in the section entitled **ADMINISTRATIVE PROVISIONS**, is hereby changed to read as follows:

Reinstatement of Insurance

An Employee's insurance may be reinstated if it ends because the Employee is on an unpaid leave of absence.

An Employee's insurance may be reinstated if reinstatement occurs within 12 weeks from the date insurance ends due to an Employer approved unpaid leave of absence. An Employee's insurance may also be reinstated if reinstatement occurs within 6 months from the date insurance ends due to a strike. For insurance to be reinstated the following conditions must be met.

1. An Employee must be in a Class of Eligible Employees.
2. The required premium must be paid.
3. A written request for reinstatement must be received by the Insurance Company within 31 days from the date an Employee returns to Active Service.

Reinstated insurance will be effective on the date the Employee returns to Active Service. If an Employee did not fully satisfy the Eligibility Waiting Period or the Pre-Existing Condition Limitation (if any) before insurance ended due to an unpaid leave of absence or strike, credit will be given for any time that was satisfied.

2. Effective January 1, 2002, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is hereby changed to read as follows:

<u>Class</u>	<u>Description</u>
1	All active, Full-time BP Employees working a minimum of 30 hours per week, all part-time BP Employees working a minimum of 20 hours per week and all term contract BP Employees including former ARCO Employees of the Employer, excluding Toledo Refinery union Employees, retail at site Employees, and Fabrics and Fibers Employees.

3. Effective January 1, 2002, the section entitled **Definition of Covered Earnings**, as set forth on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 1** and on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 7** are hereby changed to read as follows:

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded or deferred under an annual incentive plan during the prior calendar year. For former ARCO Employees who received a prorated bonus due to the change of control, eligible pay for 2002 will include the prorated portion of incentive and/or bonus pay received in 2001, plus the prorated payment paid in 2000 for performance year 2000.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

4. Effective January 1, 2002, the section entitled **Other Income Benefits** is hereby changed to read as follows:

Other Income Benefits

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory "No-Fault" auto insurance;
 - any workers' compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;
3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee's Disability Benefits by Disability Earnings to the extent provided under the Employee's Work Incentive Benefit Calculation;
7. Any distribution made from the BP Retirement Accumulation Plan (RAP) while the Employee is receiving benefits under the LTD plan – regardless of whether the Employee elects to roll over the distribution to an IRA or another qualified retirement plan or whether the Employee elects the distribution in a lump sum or any annuity form – will be considered "disability income" which will offset the Employee's LTD plan benefits. The distribution from the BP RAP will be converted to a single life annuity, age reduced based on the Employee's age at the time the BP RAP distribution was elected. The Employee can avoid having this offset apply to potentially reduce his or her LTD plan benefits if the Employee decides to defer receipt of his or her BP RAP benefits until the Employee is no longer eligible to receive LTD plan benefits.
8. For Employees in all Classes except Class 2 and Class 5, any benefits received under the Employer's salary continuance or Short Term Disability plans.

Other Income Benefits – Class 7 only

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work-loss provision in mandatory "No-Fault" auto insurance;
 - any workers' compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;
3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee's Disability Benefits by Disability Earnings to the extent provided under the Employee's Work Incentive Benefit Calculation;
7. any age 65 single-life annuity from the Employer's retirement plan. This reduction will occur even though the amount an Employee is actually entitled to receive from the retirement plan based on his or her current age may be less and he or she may receive some other form of payment, such as a lump sum or a joint and survivor annuity. If an Employee defers receipt of his or her retirement plan benefit, the reduction in LTD benefits will not occur until the Employee receives his or her retirement plan benefit.
8. For Employees in all Classes except Class 2 and Class 5, any benefits received under the Employer's salary continuance or Short Term Disability plans.

Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee's entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:

A handwritten signature in black ink, appearing to read "Gregory H. Wolf", written over a horizontal line.

Gregory H. Wolf, President

Date: February 24, 2003
Revised: March 23, 2004
Revised: August 18, 2004
Revised: October 11, 2004
Revised: October 27, 2004
Amendment No. 3

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Welfare Plan Trust-III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: January 1, 2002

The Amendment will be in effect only for eligible Employees in Active Service on the Effective Date shown above. If an Employee is not in Active Service on the date he would otherwise become eligible, he will become eligible on the date he returns to Active Service provided any required Waiting Period has been satisfied.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

As of the Amendment Effective Date shown above, Classes of Eligible Employees of the Affiliates or Subsidiaries named below are eligible to be covered under the Group Policy.

AFFILIATES OR SUBSIDIARIES

Atlantic Richfield Company

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: January 18, 2002

Amendment No. 2

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BP Amoco Corporation Welfare Plan Trust III
(herein called the Policyholder)

Group Policy No.: LK-030287

Amendment Effective Date: See Below.

This Amendment will be in effect on the Effective Date shown above only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

The Company and the Policyholder hereby agree that the Policy is amended as follows:

1. Effective May 1, 2001, the Policyholder's name is changed to:

BP Welfare Plan Trust-III

2. Effective May 1, 2001, the section entitled **Classes of Eligible Employees**, as set forth on the page entitled **SCHEDULE OF BENEFITS**, is hereby changed to read as follows:

<u>Class</u>	<u>Description</u>
1	All active, Full-time BP Employees working a minimum of 30 hours per week, part-time BP Employees working a minimum of 20 hours per week and term contract BP Employees, excluding Toledo Refinery union Employees, retail at site Employees, and Fabrics and Fibers Employees.

3. Effective June 1, 2001, the section entitled **Definition of Covered Earnings**, as set forth on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 1** and the page entitled **SCHEDULE OF BENEFITS FOR CLASS 7** are hereby changed to read as follows:

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded or deferred under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

4. Effective June 1, 2001, the section entitled **Definition of Covered Earnings**, as set forth on the page entitled **SCHEDULE OF BENEFITS FOR CLASS 4**, is hereby changed to read as follows:

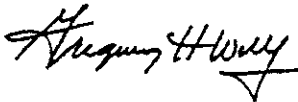
Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded or deferred under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Except for the above, this amendment does not change the Policy in any way.

FOR THE COMPANY

By:



Gregory H. Wolf, President

Date: November 20, 2001
Revised: December 5, 2003
Revised: March 23, 2004
Revised: August 18, 2004
Amendment No. 1

NOTICE

This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following:

Illinois Department of Insurance
Consumer Division or Public Services Section
Springfield, Illinois 62767

OR

Life Insurance Company of North America
1601 Chestnut Street
Philadelphia, Pennsylvania 19192
1-800-441-1832

**ILLINOIS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION LAW**

Residents of Illinois who purchase health insurance, life insurance, and annuities should know that the insurance companies licensed in Illinois to write these types of insurance are members of the Illinois Life and Health Insurance Guaranty Association. The purpose of this Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its policy obligations. If this should happen, the Association will assess its other member insurance companies for the money to pay the covered claims of policyholders that live in Illinois (and their payees, beneficiaries, and assignees) and, in some cases, to keep coverage in force. The valuable extra protection provided by insurers through the Association is not unlimited, however, as noted in below.

**ILLINOIS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION DISCLAIMER**

The Illinois Life and Health Insurance Guaranty Association provides coverage of claims under some types of policies if the insurer becomes impaired or insolvent. **COVERAGE MAY NOT BE AVAILABLE FOR YOUR POLICY.** Even if coverage is provided, there are substantial limitations or exclusions. Coverage is generally conditioned on continued residence in Illinois. Other conditions may also preclude coverage.

You should not rely on availability of coverage under the Life and Health Insurance Guaranty Association Law when selecting an insurer. Your insurer and agent are prohibited by law from using the existence of the Association or its coverage to sell you an insurance policy.

The Illinois Life and Health Insurance Guaranty Association or the Illinois Department of Insurance will respond to any questions you may have which are not answered by this document. Policyholders with additional questions may contact:

Illinois Life and Health Insurance
Guaranty Association
8420 West Bryn Mawr Avenue
Chicago, Illinois 60631
(312) 714-8080

Illinois Department of Insurance
320 West Washington Street
4th Floor
Springfield, Illinois 62767
(217) 782-4515

Summary of General Purposes and Current Limitations of Coverage

The Illinois law that provides for this safety-net coverage is called the Illinois Life and Health Insurance Guaranty Association Law ("Law") [215 ILCS 5/531.01, et seq.]. The following contains a brief summary of the Law's coverages, exclusions and limits. This summary does not cover all provisions, nor does it in any way change anyone's rights or obligations under the Law or the rights or obligations of the Guaranty Association.

a) Coverage:

The Illinois Life and Health Insurance Guaranty Association provides coverage to policyholders that reside in Illinois for insurance issued by members of the Guaranty Association, including:

- 1) life insurance, health insurance, and annuity contracts;
 - 2) life, health or annuity certificates under direct group policies or contracts;
 - 3) unallocated annuity contracts; and
 - 4) contracts to furnish health care services and subscription certificates for medical or health care services issued by certain licensed entities.
- The beneficiaries, payees or assignees of such persons are also protected, even if they live in another state.

b) Exclusions from Coverage:

The Guaranty Association does not provide coverage for:

- 1) any policy or portion of a policy for which the individual has assumed the risk;
- 2) any policy of reinsurance unless an assumption certificate was issued;
- 3) interest rate guarantees which exceed certain statutory limitations;
- 4) certain unallocated annuity contracts issued to an employee benefit plan protected under the Pension Benefit Guaranty Corporation and any portion of a contract which is not issued to or in connection with a specific employee, union or association or natural persons benefit plan or government lottery;
- 5) any portion of a variable life insurance or variable annuity contract not guaranteed by an insurer; or
- 6) any stop loss insurance.

In addition, persons are not protected by the Guaranty Association if:

- 1) the Illinois Director of Insurance determines that, in the case of an insurer which is not domiciled in Illinois, the insurer's home state provides substantially similar protection to Illinois residents which will be provided in a timely manner; or
- 2) their policy was issued by an organization which is not a member insurer of the Association.

c) Limits on Amounts of Coverage:

- 1) The law also limits the amount the Illinois Life and Health Insurance Guaranty Association is obligated to pay. The Guaranty Association's liability is limited to the lesser of either:
 - A) the contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer, or
 - B) with respect to any one life, regardless of the number of policies, contracts, or certificates:
 - i) in the case of life insurance, \$300,000 in death benefits but not more than \$100,000 in net cash surrender or withdrawal values;
 - ii) in the case of health insurance, \$300,000 in health insurance benefits, including net cash surrender or withdrawal values; and
 - iii) with respect to annuities, \$100,000 in the present value of annuity benefits, including net cash surrender or withdrawal values, and \$100,000 in the present value of annuity benefits for individuals participating in certain government retirement plans covered by an unallocated annuity contract. The limit for coverage of unallocated annuity contracts other than those issued to certain governmental retirement plans is \$5,000,000 in benefits per contract holder, regardless of the number of contracts.
- 2) However, in no event is the Guaranty Association liable for more than \$300,000 with respect to any one individual.

LIFE INSURANCE COMPANY OF NORTH AMERICA
1601 CHESTNUT STREET
PHILADELPHIA, PA 19192-2235
(800) 732-1603 TDD (800) 552-5744
A STOCK INSURANCE COMPANY

GROUP POLICY

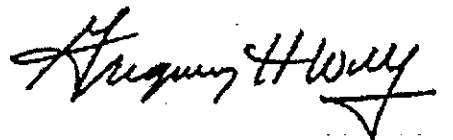
POLICYHOLDER: BP Amoco Corporation Welfare Plan Trust III
POLICY NUMBER: LK-030287
POLICY EFFECTIVE DATE: April 1, 2000
REVISED AND REISSUED: April 1, 2001
POLICY ANNIVERSARY DATE: April 1

This Policy describes the terms and conditions of coverage. It is issued in Illinois and shall be governed by its laws. The Policy goes into effect on the Policy Effective Date, 12:01 a.m. at the Policyholder's address.

In return for the required premium, the Insurance Company and the Policyholder have agreed to all the terms of this Policy.



Robert J. Upton, Secretary



Gregory H. Wolf, President

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SCHEDULE OF BENEFITS**Premium Due Date**

Premiums are due in arrears on the date coinciding with the day of the Policy Anniversary Date or the last day of the month, if earlier.

Participation Requirements

100% of Eligible Employees, but not less than 25 Employees.

Classes of Eligible Employees

On the pages following the definition of eligible employees there is a Schedule of Benefits for each Class of Eligible Employees listed below. For an explanation of these benefits, please see the Description of Benefits provision.

If an Employee is eligible under one age classification and his or her age classification later changes, changes in his or her insurance or his or her rates due to the age change will be effective on the April 1 following the change.

If an Employee is eligible under one Class of Eligible Employees and later becomes eligible under a different Class of Eligible Employees, changes in his or her insurance due to the class change will be effective on the date of the change in class.

- Class 1 All active, Full-time BP Amoco Employees working a minimum of 30 hours per week, part-time BP Amoco Employees working a minimum of 20 hours per week and term contract BP Amoco Employees, excluding Toledo Refinery union Employees, retail at site Employees, and Fabric and Fibers Employees.
- Class 2 All active, Full-time union Employees of BP Toledo Refinery working a minimum number of hours per week as defined by the Employer.
- Class 3 All Full-time Employees of Amoco Fabric and Fibers Ltd. (Canada location) who: 1) are under age 69 and 6 months; 2) are regularly scheduled to work at least 30 hours per week; 3) are working in Canada or the United States; and 4) have minimum monthly earnings of \$400.
- Class 4 Grandfathered Heritage Amoco part-time and temporary Employees who work a minimum of 15 hours per week, but less than 30 hours per week, and who were eligible for benefits prior to or on March 31, 2000.
- Class 5 All part-time and temporary union Employees of the BP Toledo Refinery who become disabled as a result of an Injury or Sickness that is work related.
- Class 7 All active, Full-time BP Fabrics and Fibers Employees working a minimum of 30 hours per week, Part-time BP Fabrics and Fibers Employees working a minimum of 20 hours per week, and term contract BP Fabrics and Fibers Employees, excluding retail at site Employees.

SCHEDULE OF BENEFITS FOR CLASS 1**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period	6 months
Gross Disability Benefit	
Core Benefit:	The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.
Option 1 Benefit:	The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.
Option 2 Benefit:	The lesser of 65% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.
Maximum Disability Benefit	
Core Benefit:	\$20,000 per month
Option 1 Benefit:	\$20,000 per month
Option 2 Benefit:	\$20,000 per month
Minimum Disability Benefit	
Core Benefit:	\$100 per month
Option 1 Benefit:	\$100 per month
Option 2 Benefit:	\$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit PeriodAge When Disability Begins

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates**Core Benefit:**

\$.41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.10 per \$100 of Covered Payroll
Ages 40-44:	\$.16 per \$100 of Covered Payroll
Ages 45-49:	\$.22 per \$100 of Covered Payroll
Ages 50-54:	\$.26 per \$100 of Covered Payroll
Ages 55-59:	\$.29 per \$100 of Covered Payroll
Ages 60-64:	\$.26 per \$100 of Covered Payroll
Ages 65-69:	\$.24 per \$100 of Covered Payroll
Ages 70 and older:	\$.22 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.14 per \$100 of Covered Payroll
Ages 40-44:	\$.22 per \$100 of Covered Payroll
Ages 45-49:	\$.31 per \$100 of Covered Payroll
Ages 50-54:	\$.36 per \$100 of Covered Payroll
Ages 55-59:	\$.41 per \$100 of Covered Payroll
Ages 60-64:	\$.36 per \$100 of Covered Payroll
Ages 65-69:	\$.34 per \$100 of Covered Payroll
Ages 70 and older:	\$.31 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 2**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

For purposes of the LTD Plan, the Employee is considered totally, continuously Disabled if during the first 24 months of Disability, he or she is unable to perform the duties of his or her regular job at the Employer, even with reasonable accommodations, due to an occupational or non-occupational Sickness or Injury. After 24 months, total Disability means that an Employee is completely unable to perform any other work for which he or she may reasonably become qualified by education, training or experience.

Definition of Covered Earnings

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the date of the change, if the Employer gives us written notice of the change and the required premium is paid.

It does not include amounts received as bonus, commissions, overtime pay or other extra compensation.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period

12 months

Gross Disability Benefit

50% of an Employee's monthly Covered Earnings rounded to the nearer dollar.

If, for any month, the sum of the Disabled Employee's Disability Benefit and Other Income Benefits exceed 70% of his or her monthly Covered Earnings, the Disability Benefit will be reduced by the excess amount.

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit PeriodAge When Disability Begins

Under Age 60

Ages 60-68

Over Age 68

Maximum Benefit Period

The Employee's 65th birthday.

The Employee's 70th birthday or the date the 48th Monthly Benefit is payable, if earlier.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates

\$.41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 3**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

During the first 24 months of a period of Disability, an Employee is Disabled if he or she is unable, solely because of disease or accidental bodily injury, to work at his or her own occupation. An Employee's own occupation means the type of work in which he or she is engaged and is not limited to the actual job he or she is performing prior to the start of a period of total Disability. Thereafter, during the same period of Disability, an Employee is totally Disabled only if he or she is unable, solely because of disease or accidental bodily injury, to work at any reasonable occupation. A reasonable occupation means any gainful activity for which an Employee is, or may reasonably become, fitted by education, training or experience, other than work under an approved rehabilitation program.

Definition of Covered Earnings

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the date of the change, if the Employer gives us written notice of the change and the required premium is paid.

It does not include amounts received as bonus, commissions, overtime pay or other extra compensation.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period

6 months

Gross Disability Benefit

The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

\$1,500 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit Period

Age When Disability Begins
Age 69 or under

Maximum Benefit Period
The Employee's 70th birthday.

Initial Premium Rates

\$.41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 4**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period

6 months

Gross Disability Benefit**Core Benefit:**

The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 1 Benefit:

The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 2 Benefit:

The lesser of 65% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit**Core Benefit:**

\$20,000 per month

Option 1 Benefit:

\$20,000 per month

Option 2 Benefit:

\$20,000 per month

Minimum Disability Benefit**Core Benefit:**

\$100 per month

Option 1 Benefit:

\$100 per month

Option 2 Benefit:

\$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit Period**Age When Disability Begins**

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates**Core Benefit:**

\$.41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.10 per \$100 of Covered Payroll
Ages 40-44:	\$.16 per \$100 of Covered Payroll
Ages 45-49:	\$.22 per \$100 of Covered Payroll
Ages 50-54:	\$.26 per \$100 of Covered Payroll
Ages 55-59:	\$.29 per \$100 of Covered Payroll
Ages 60-64:	\$.26 per \$100 of Covered Payroll
Ages 65-69:	\$.24 per \$100 of Covered Payroll
Ages 70 and older:	\$.22 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.14 per \$100 of Covered Payroll
Ages 40-44:	\$.22 per \$100 of Covered Payroll
Ages 45-49:	\$.31 per \$100 of Covered Payroll
Ages 50-54:	\$.36 per \$100 of Covered Payroll
Ages 55-59:	\$.41 per \$100 of Covered Payroll
Ages 60-64:	\$.36 per \$100 of Covered Payroll
Ages 65-69:	\$.34 per \$100 of Covered Payroll
Ages 70 and older:	\$.31 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 5

Eligibility Waiting Period

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

For purposes of the LTD Plan, the Employee is considered totally, continuously Disabled if during the first 24 months of Disability, he or she is unable to perform the duties of his or her regular job at the Employer, even with reasonable accommodations, due to an occupational or non-occupational Sickness or Injury. After 24 months, total Disability means that an Employee is completely unable to perform any other work for which he or she may reasonably become qualified by education, training or experience. The Insurance Company and the Employer will determine if an Employee meets the Plan's definition of Disability.

Definition of Covered EarningsFull-time and Regular Part-time Employees:

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the date of the change, if the Employer gives us written notice of the change and the required premium is paid.

It does not include amounts received as bonus, commissions, overtime pay or other extra compensation.

Part-time Employees:

Covered Earnings means an Employee's average hourly earnings during the last two complete pay periods times regular scheduled hours.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period

12 months

Gross Disability Benefit

50% of an Employee's monthly Covered Earnings rounded to the nearer dollar.

If, for any month, the sum of the Disabled Employee's Disability Benefit and Other Income Benefits exceed 70% of his or her monthly Covered Earnings, the Disability Benefit will be reduced by the excess amount.

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit Period**Age When Disability Begins**

Under Age 60
Ages 60-68

Over Age 68

Maximum Benefit Period

The Employee's 65th birthday.
The Employee's 70th birthday or the date the 48th Monthly Benefit is payable, if earlier.
The date the 12th Monthly Benefit is payable.

Initial Premium Rates

\$.41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 7**Eligibility Waiting Period**

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is either:

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is either:

1. unable to perform all the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings for the LTD plan are an Employee's current regular base salary or the Employee's hourly rate projected on an annual basis, plus actual bonuses awarded under an annual incentive plan during the prior calendar year.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period

6 months

Gross Disability Benefit**Core Benefit:**

The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 1 Benefit:

The lesser of 60% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Option 2 Benefit:

The lesser of 65% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit**Core Benefit:**

\$20,000 per month

Option 1 Benefit:

\$20,000 per month

Option 2 Benefit:

\$20,000 per month

Minimum Disability Benefit**Core Benefit:**

\$100 per month

Option 1 Benefit:

\$100 per month

Option 2 Benefit:

\$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a Transitional Work Arrangement or other modified work arrangement and the Employee refuses to do so without Good Cause.

Maximum Benefit PeriodAge When Disability Begins

Age 62 or under

Age 63

Age 64

Age 65

Age 66

Age 67

Age 68

Age 69 or older

Maximum Benefit Period

The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.

The date the 36th Monthly Benefit is payable.

The date the 30th Monthly Benefit is payable.

The date the 24th Monthly Benefit is payable.

The date the 21st Monthly Benefit is payable.

The date the 18th Monthly Benefit is payable.

The date the 15th Monthly Benefit is payable.

The date the 12th Monthly Benefit is payable.

Initial Premium Rates**Core Benefit:**

\$.41 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$40,000.

Option 1 Benefit:

Ages 18-39:	\$.10 per \$100 of Covered Payroll
Ages 40-44:	\$.16 per \$100 of Covered Payroll
Ages 45-49:	\$.22 per \$100 of Covered Payroll
Ages 50-54:	\$.26 per \$100 of Covered Payroll
Ages 55-59:	\$.29 per \$100 of Covered Payroll
Ages 60-64:	\$.26 per \$100 of Covered Payroll
Ages 65-69:	\$.24 per \$100 of Covered Payroll
Ages 70 and older:	\$.22 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$33,333.

Option 2 Benefit:

Ages 18-39:	\$.14 per \$100 of Covered Payroll
Ages 40-44:	\$.22 per \$100 of Covered Payroll
Ages 45-49:	\$.31 per \$100 of Covered Payroll
Ages 50-54:	\$.36 per \$100 of Covered Payroll
Ages 55-59:	\$.41 per \$100 of Covered Payroll
Ages 60-64:	\$.36 per \$100 of Covered Payroll
Ages 65-69:	\$.34 per \$100 of Covered Payroll
Ages 70 and older:	\$.31 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$30,769.

TL-004774

ELIGIBILITY FOR INSURANCE

An Employee in one of the Classes of Eligible Employees shown in the Schedule of Benefits is eligible to be insured on the Policy Effective Date, or the day after he or she completes the Eligibility Waiting Period, if later. The Eligibility Waiting Period is the period of time the Employee must be in Active Service to be eligible for coverage. It will be extended by the number of days the Employee is not in Active Service.

Except as noted in the Reinstatement Provision, if an Employee terminates coverage and later wishes to reapply, or if a former Employee is rehired, a new Eligibility Waiting Period must be satisfied. An Employee is not required to satisfy a new Eligibility Waiting Period if insurance ends because he or she is no longer in a Class of Eligible Employees, but continues to be employed and within one year becomes a member of an eligible class.

TL-004710

EFFECTIVE DATE OF INSURANCE

An Employee will be insured on the date he or she becomes eligible, if the Employee is not required to contribute to the cost of this insurance.

An Employee who is required to contribute to a portion of the cost of this insurance may elect to be insured for optional insurance only by authorizing payroll deduction in a form approved by the Employer and the Insurance Company. The effective date of this optional insurance depends on the date coverage is elected.

Insurance for an Employee who applies for coverage within 45 days after he or she becomes eligible is effective on the latest of the following dates.

1. The Policy Effective Date.
2. The date payroll deduction is authorized.
3. The date the Employer or Insurance Company receives the completed enrollment form.

If an Employee is not in Active Service on the date insurance would otherwise be effective, it will be effective on the date he or she returns to any occupation for the Employer.

TL-004712 (30287)

TERMINATION OF INSURANCE

An Employee's coverage will end on the earliest of the following dates:

1. the date the Employee is eligible for coverage under a plan intended to replace this coverage;
2. the date the Policy is terminated;
3. the date the Employee is no longer in an eligible class;
4. the day after the end of the period for which premiums are paid;
5. the date the Employee is no longer in Active Service;
6. the date benefits end for failure to comply with the terms and conditions of the Policy.

Disability Benefits will continue for an Employee receiving Disability Benefits when the Policy terminates, if he or she remains disabled and meets the requirements of the Policy. Any later period of Disability, regardless of cause, that begins when the Employee is eligible under another group disability coverage provided by any employer, will not be covered.

TL-007505.00

Extension of Benefits After Termination

Payment of Benefits will not be affected by termination of the Policy as long as the Disability begins while the Policy is in force.

TL-004714

CONTINUATION OF INSURANCE

Disability Insurance continues if an Employee's Active Service ends due to a Disability for which benefits under the Policy are or may become payable. Premiums for the Employee will be waived while Disability Benefits are payable. If the Employee does not return to Active Service, this insurance ends when the Disability ends or when benefits are no longer payable, whichever occurs first.

If an Employee's Active Service ends due to an Employer approved paid leave of absence, insurance for that Employee will continue for up to six months if the required premium is paid.

If an Employee's insurance is continued and he or she becomes Disabled during the leave of absence, Disability Benefits will not begin until the later of the following dates.

1. the date the Elimination Period is satisfied
2. the date the Employee was scheduled to return to Active Service

TL-004716 (30287)

DESCRIPTION OF BENEFITS

The following provisions explain the benefits available under the Policy. Please see the Schedule of Benefits for the applicability of these benefits to each class of Insureds.

Disability Benefits

The Insurance Company will pay Disability Benefits if an Employee becomes Disabled while covered under this Policy. The Employee must satisfy the Elimination Period, be under the Appropriate Care of a Physician, and meet all the other terms and conditions of the Policy. He or she must provide the Insurance Company, at his or her own expense, satisfactory proof of Disability before benefits will be paid. The Disability Benefit is shown in the Schedule of Benefits.

The Insurance Company will require continued proof of the Employee's Disability for benefits to continue.

Elimination Period

The Elimination Period is the period of time an Employee must be continuously Disabled before Disability Benefits are payable. The Elimination Period is shown in the Schedule of Benefits.

A period of Disability is not continuous if separate periods of Disability result from unrelated causes.

Continuity of Coverage

The following provisions will apply to any Employee who was covered under a Prior Plan.

The Elimination Period under this Policy will be waived for a Disability which begins while the Employee is insured under this Policy if all of the following conditions are met:

1. the Disability results from the same or related causes as a Disability for which benefits were payable under the Prior Plan;
2. benefits are not payable for the Disability under the Prior Plan solely because it is not in effect;
3. an Elimination Period would not apply to the Disability if the Prior Plan had not ended;

4. the Employee was in Active Service for more than 14 consecutive days while covered under this Policy; and
5. the Disability begins within 6 months of the Employee's return to Active Service.

Benefits will be determined based on the lesser of: (1) the amount of the gross disability benefit under the Prior Plan and any applicable maximums; or (2) those provided by this Policy.

Except for any amount of benefit in excess of a Prior Plan's benefits, the Pre-existing Condition Limitation will not apply to an Employee covered under a Prior Plan who satisfied the pre-existing condition limitation, if any, under that plan. If an Employee, covered under a Prior Plan, did not fully satisfy the pre-existing condition limitation of that plan, credit will be given for any time that was satisfied under the Prior Plan's pre-existing condition limitation.

If benefits are payable under the Prior Plan for the Disability, no benefits are payable under this Policy.

Termination of Disability Benefits

Benefits will end on the earliest of the following dates:

1. the date the Employee earns 80% or more of his or her Indexed Covered Earnings;
2. the date the Insurance Company determines he or she is not Disabled;
3. the end of the Maximum Benefit Period;
4. the date the Employee dies;
5. the date the Employee refuses, without Good Cause, to fully cooperate in all required phases of the Rehabilitation Plan;
6. the date the Employee refuses, without Good Cause, to fully cooperate in a Transitional Work Arrangement;
7. the date the Employee is no longer receiving Appropriate Care;
8. the date the Employee fails to cooperate with the Insurance Company in the administration of the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

Benefits may be resumed if the Employee begins to cooperate fully in the Rehabilitation Plan or a Transitional Work Arrangement within 30 days of the date benefits terminated.

Extension of Benefits after Termination

Payment of Benefits will not be affected by termination of the Policy as long as the Disability begins while the Policy is in-force.

TL-007502.14 (30287)

Pre-Existing Condition Limitation (Applicable to Class 3 Only)

The Insurance Company will not pay benefits for any period of Disability caused by, or resulting from, a Pre-existing Condition. A "Pre-existing Condition" means any Injury or Sickness for which the Employee incurred expenses, received medical treatment, care or services including diagnostic measures, took prescribed drugs or medicines, or consulted a Physician within 3 months before his or her most recent effective date of insurance.

The Pre-existing Condition Limitation will apply to any added benefits or increases in benefits. This limitation will not apply to a period of Disability that begins after an Employee is covered for at least 12 months after his or her most recent effective date of insurance, or the effective date of any added or increased benefits.

Pre-Existing Condition Limitation (Applicable to all Classes except 2, 3, and 5)

The Insurance Company will not pay benefits for any period of Disability caused by, or resulting from, a Pre-existing Condition. A "Pre-existing Condition" means any Injury or Sickness for which the Employee incurred expenses, received medical treatment, care or services including diagnostic measures, took prescribed drugs or medicines, consulted a Physician, or for which a reasonable person would have consulted a Physician within 3 months before his or her most recent effective date of insurance.

The Pre-existing Condition Limitation will apply to any added benefits or increases in benefits. This limitation will not apply to a period of Disability that begins after an Employee has been in Active Service for a continuous period of 6 months during which the Employee has received no medical treatment, care or services in connection with the pre-existing conditions or is covered for at least 12 months after his or her most recent effective date of insurance, or the effective date of any added or increased benefits.

Disability Benefit Calculation

The Disability Benefit Calculation is shown in the Schedule of Benefits. Monthly Disability Benefits are based on a 30 day period. They will be prorated if payable for any period less than a month. If an Employee is working while Disabled, the Disability Benefit Calculation will be the Work Incentive Benefit Calculation.

Work Incentive Benefit Calculation

The Work Incentive Benefit Calculation is shown in the Schedule of Benefits. An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

Minimum Benefit

The Insurance Company will pay the Minimum Benefit shown in the Schedule of Benefits despite any reductions made for Other Income Benefits. When Disability Benefits are reduced in order to recover any overpayment, any minimum payment will be applied to any overpayment due to the Insurance Company.

Other Income Benefits

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Other Income Benefits include:

1. any amounts received (or assumed to be received*) by the Employee or his or her dependents under:
 - the Canada and Quebec Pension Plans;
 - the Railroad Retirement Act;
 - any local, state, provincial or federal government disability or retirement plan or law payable for Injury or Sickness provided as a result of employment with the Employer;
 - any work loss provision in mandatory "No-Fault" auto insurance;
 - any workers' compensation, occupational disease, unemployment compensation law or similar state or federal law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted;
2. any Social Security disability or retirement benefits the Employee or any third party receives (or is assumed to receive*) on his or her own behalf or for his or her dependents; or which his or her dependents receive (or are assumed to receive*) because of his or her entitlement to such benefits;

3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a thrift, stock option or stock bonus plan, individual retirement account or 401(k) plan;
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies;
5. any amounts paid because of loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined;
6. any Disability Earnings. If the Work Incentive Benefits Calculation applies to the Employee, the Insurance Company will only reduce the Employee's Disability Benefits by Disability Earnings to the extent provided under the Employee's Work Incentive Benefit Calculation;
7. any age 65 single-life annuity from the Employer's retirement plan. This reduction will occur even though the amount an Employee is actually entitled to receive from the retirement plan based on his or her current age may be less and he or she may receive some other form of payment, such as a lump sum or a joint and survivor annuity. If an Employee defers receipt of his or her retirement plan benefit, the reduction in LTD benefits will not occur until the Employee receives his or her retirement plan benefit.

Dependents include any person who receives (or is assumed to receive*) benefits under any applicable law because of an Employee's entitlement to benefits.

*See the Assumed Receipt of Benefits provision.

Increases in Other Income Benefits

Any increase in Other Income Benefits during a period of Disability due to a cost of living adjustment will not be considered in calculating the Employee's Disability Benefits after the first reduction is made for any Other Income Benefits. This section does not apply to any cost of living adjustment for Disability Earnings.

Lump Sum Payments

Other Income Benefits or earnings paid in a lump sum will be prorated over the period for which the sum is given. If no time is stated, the lump sum will be prorated over five years.

If no specific allocation of a lump sum payment is made, then the total payment will be an Other Income Benefit.

Assumed Receipt of Benefits

The Insurance Company will assume the Employee is and his or her dependents are receiving benefits for which they are eligible from Other Income Benefits. The Insurance Company will reduce the Employee's Disability Benefits by the amount from Other Income Benefits it estimates are payable to the Employee and his or her dependents.

The Insurance Company will waive Assumed Receipt of Benefits, except for Disability Earnings for work the Employee performs while Disability Benefits are payable, if the Employee:

1. provides satisfactory proof of application for Other Income Benefits;
2. signs a Reimbursement Agreement;

3. provides satisfactory proof that all appeals for Other Income Benefits have been made unless the Insurance Company determines that further appeals are not likely to succeed; and
4. submits satisfactory proof that Other Income Benefits were denied.

The Insurance Company will not assume receipt of any pension or retirement benefits that are actuarially reduced according to applicable law, until the Employee actually receives them.

The Insurance Company may limit its waiver of Assumed Receipt of Benefits if:

1. there is a change in factors bearing on the risk assumed, including but not limited to a significant increase in time required by the party responsible for paying the Other Income Benefits to determine whether Other Income Benefits are payable; or
2. any state or Federal law or regulation is amended so that it affects the Insurance Company's benefit obligations.

Social Security Assistance

The Insurance Company may help the Employee in applying for Social Security Disability Income (SSDI) Benefits, and may require the Employee to file an appeal if it believes a reversal of a prior decision is possible.

The Insurance Company will reduce Disability Benefits by the amount it estimates the Employee will receive, if the Employee refuses to cooperate with or participate in the Social Security Assistance Program.

Successive Periods of Disability

A separate period of Disability will be considered continuous:

1. if it results from the same or related causes as a prior Disability for which monthly benefits were payable; and
2. if, after receiving Disability Benefits, the Employee returns to work in his Regular Occupation or a Qualified Alternative for less than 6 consecutive months; and
3. if the Employee earns less than 80% of Indexed Covered Earnings during at least one month.

Any later period of Disability, regardless of cause, that begins when the Employee is eligible for coverage under another group disability plan provided by any employer will not be considered a continuous period of Disability.

For any separate period of disability which is not considered continuous, the Employee must satisfy a new Elimination Period.

Recovery of Overpayment

The Insurance Company has the right to recover any benefits it has overpaid. The Insurance Company may use any or all of the following to recover an overpayment:

1. request a lump sum payment of the overpaid amount;
2. reduce any amounts payable under this Policy; and/or
3. take any appropriate collection activity available to it.

The Minimum Benefit amount will not apply when Disability Benefits are reduced in order to recover any overpayment.

If an overpayment is due when the Employee dies, any benefits payable under the Policy will be reduced to recover the overpayment.

ADDITIONAL BENEFITS**Rehabilitation During A Period of Disability**

If the Insurance Company determines that a Disabled Employee is a suitable candidate for rehabilitation, the Insurance Company may require the Employee to participate in a Rehabilitation Plan. The Insurance Company has the sole discretion to approve the Employee's participation in a Rehabilitation Plan and to approve a program as a Rehabilitation Plan.

The Rehabilitation Plan may, at the Insurance Company's discretion, allow for payment of the Employee's medical expense, education expense, moving expense, accommodation expense or family care expense while he or she participates in the program.

If an Employee fails to fully cooperate in all required phases of the Rehabilitation Plan without Good Cause, no Disability Benefits will be paid, and insurance will end.

A "Rehabilitation Plan" is a written agreement between the Employee and the Insurance Company in which the Insurance Company agrees to provide, arrange or authorize vocational or physical rehabilitation services.

Spouse Rehabilitation Benefit

While an Employee is Disabled, his or her Spouse may, at the option of the Insurance Company, be eligible to participate in a Spouse Rehabilitation Plan. To be eligible, the following conditions must be met:

1. the Employee must be continuously Disabled for 12 months;
2. his or her Spouse's earnings must be 60% or less than the Employee's Covered Earnings; and
3. his or her Spouse must be determined by the Insurance Company to be a suitable candidate for rehabilitation.

"Spouse," as used in this provision, means the Employee's lawful Spouse living with him or her on the date the Employee's Disability begins. The Spouse Rehabilitation Plan will end if the Employee's Spouse is no longer living with the Employee.

The Spouse's Rehabilitation Plan may include, at the Insurance Company's discretion, payment of the Spouse's education expense, reasonable job placement expenses and moving expenses. It may also include family care expenses, if necessary, for his or her Spouse to be retrained under the Rehabilitation Plan.

Disability Benefits will be reduced by 50% of his or her Spouse's earnings from participation in the Rehabilitation Plan. If his or her Spouse was working before the Spouse Rehabilitation Plan begins, Disability Benefits will be reduced by 50% of the increase in income that results from his or her Spouse's participation in the Spouse Rehabilitation Plan.

Employer Benefit

The Insurance Company may reimburse the Employer for expenses incurred in making a Reasonable Accommodation. For the Employer to be eligible for this benefit, the Reasonable Accommodation must meet the following conditions.

1. It must be made on behalf of a Disabled Employee and result in his or her ability to return to any occupation for the Employer.
2. It must be approved by the Insurance Company in writing before it is implemented or any expense is incurred.
3. It must meet federal standards of a Reasonable Accommodation as detailed in the Americans with Disabilities Act of 1990 and any later amendments.

"Reasonable Accommodation" means any modification or adjustment to a job, an employment practice, or the work environment that makes it possible for a person with a disability to perform the material duties of any occupation without causing undue hardship to the Employer.

TL-005105

EXCLUSIONS

(Applicable to all Classes except 2, 3, and 5)

The Insurance Company will not pay any Disability Benefits for a Disability that results directly from:

1. suicide, attempted suicide, or self-inflicted injury while sane or insane.
2. war or any act of war, whether or not declared.
3. terrorism or active participation in a riot.
4. Injury or Sickness while the Employee is serving on full-time active duty in any armed forces. If the Employee sends proof of service, the Insurance Company will refund pro rata the premium paid to cover the Employee during a period of such service.
5. commission or an attempt to commit a felony.
6. the revocation, restriction or non-renewal of an Employee's license, permit or certification necessary to perform the duties of his or her occupation unless due solely to Injury or Sickness otherwise covered by the Policy.

In addition, the Insurance Company will not pay Disability Benefits for any period of Disability during which the Employee is incarcerated in a penal or corrections institution.

EXCLUSIONS

(Applicable to Classes 2 and 5 Only)

The Insurance Company will not pay any Disability Benefits for a Disability that results directly from:

1. suicide, attempted suicide, or self-inflicted injury while sane or insane.
2. war or any act of war, whether or not declared.
3. terrorism or active participation in a riot.
4. Injury or Sickness while the Employee is serving on full-time active duty in any armed forces. If the Employee sends proof of service, the Insurance Company will refund pro rata the premium paid to cover the Employee during a period of such service.
5. commission or an attempt to commit a felony.
6. the revocation, restriction or non-renewal of an Employee's license, permit or certification necessary to perform the duties of his or her occupation unless due solely to Injury or Sickness otherwise covered by the Policy.
7. an Injury or Sickness that is work related whether the Employee is self-employed primarily for wage, profit or gain or he or she is working for another Employer prior to or during his or her period of employment with the current Employer.
8. drug abuse.

In addition, the Insurance Company will not pay Disability Benefits for any period of Disability during which the Employee is incarcerated in a penal or corrections institution.

EXCLUSIONS

(Applicable to Class 3 Only)

The Insurance Company will not pay any Disability Benefits for a Disability that results directly from:

1. suicide, attempted suicide, or self-inflicted injury while sane or insane.
2. war or any act of war, whether or not declared.
3. terrorism or active participation in a riot.
4. Injury or Sickness while the Employee is serving on full-time active duty in any armed forces. If the Employee sends proof of service, the Insurance Company will refund pro rata the premium paid to cover the Employee during a period of such service.

5. commission or an attempt to commit a felony.
6. the revocation, restriction or non-renewal of an Employee's license, permit or certification necessary to perform the duties of his or her occupation unless due solely to Injury or Sickness otherwise covered by the Policy.
7. drug abuse, including the use of narcotics, barbiturates and hallucinogenic substances.

In addition, the Insurance Company will not pay Disability Benefits for any period of Disability during which the Employee is incarcerated in a penal or corrections institution.

TL-007503.14

CLAIM PROVISIONS

Notice of Claim

Written notice, or notice by any other electronic/telephonic means authorized by the Insurance Company, must be given to the Insurance Company within 31 days after a covered loss occurs or begins or as soon as reasonably possible. If written notice, or notice by any other electronic/telephonic means authorized by the Insurance Company, is not given in that time, the claim will not be invalidated or reduced if it is shown that notice was given as soon as was reasonably possible. Notice can be given at our home office in Philadelphia, Pennsylvania, or to our agent. Notice should include the Employer's Name, the Policy Number and the claimant's name and address.

Claim Forms

When the Insurance Company receives notice of claim, the Insurance Company will send claim forms for filing proof of loss. If claim forms are not sent within 15 days after notice is received by the Insurance Company, the proof requirements will be met by submitting, within the time required under the "Proof of Loss" section, written proof, or proof by any other electronic/telephonic means authorized by the Insurance Company, of the nature and extent of the loss.

Claimant Cooperation Provision

Failure of a claimant to cooperate with the Insurance Company in the administration of the claim may result in termination of the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

Insurance Data

The Employer is required to cooperate with the Insurance Company in the review of claims and applications for coverage. Any information the Insurance Company provides in these areas is confidential and may not be used or released by the Employer if not permitted by applicable privacy laws.

Proof of Loss

Written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, must be given to the Insurance Company within 90 days after the date of the loss for which a claim is made. If written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, is not given in that 90 day period, the claim will not be invalidated nor reduced if it is shown that it was given as soon as was reasonably possible. In any case, written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, must be given not more than one year after that 90 day period. If written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, is provided outside of these time limits, the claim will be denied. These time limits will not apply while the person making the claim lacks legal capacity.

Written proof, or proof by any other electronic/telephonic means authorized by the Insurance Company, that the loss continues must be furnished to the Insurance Company at intervals required by us. Within 30 days of a request, written proof of continued Disability and Appropriate Care by a Physician must be given to the Insurance Company.

Time of Payment

Disability Benefits will be paid at regular intervals of not less frequently than once a month. Any balance, unpaid at the end of any period for which the Insurance Company is liable, will be paid at that time.

To Whom Payable

Disability Benefits will be paid to the Employee. If any person to whom benefits are payable is a minor or, in the opinion of the Insurance Company, is not able to give a valid receipt, such payment will be made to his or her legal guardian. However, if no request for payment has been made by the legal guardian, the Insurance Company may, at its option, make payment to the person or institution appearing to have assumed custody and support.

If an Employee dies while any Disability Benefits remain unpaid, the Insurance Company may, at its option, make direct payment to any of the following living relatives of the Employee: spouse, mother, father, children, brothers or sisters; or to the executors or administrators of the Employee's estate. The Insurance Company may reduce the amount payable by any indebtedness due.

Payment in the manner described above will release the Insurance Company from all liability for any payment made.

Physical Examination

The Insurance Company, at its expense, will have the right to examine any person for whom a claim is pending as often as it may reasonably require.

Legal Actions

No action at law or in equity may be brought to recover benefits under the Policy less than 60 days after written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, has been furnished as required by the Policy. No such action shall be brought more than 3 years after the time satisfactory proof of loss is required to be furnished.

Time Limitations

If any time limit stated in the Policy for giving notice of claim or proof of loss, or for bringing any action at law or in equity, is less than that permitted by the law of the state in which the Employee lives when the Policy is issued, then the time limit provided in the Policy is extended to agree with the minimum permitted by the law of that state.

Physician/Patient Relationship

The Insured will have the right to choose any Physician who is practicing legally. The Insurance Company will in no way disturb the Physician/patient relationship.

TL-004724 (30287)

ADMINISTRATIVE PROVISIONS**Premiums**

The premiums for this Policy will be based on the rates currently in force, the plan and the amount of insurance in effect.

Changes in Premium Rates

The premium rates may be changed by the Insurance Company from time to time with at least 60 days advance written notice. No change in rates will be made until 36 months after the Policy Effective Date. An increase in rates will not be made more often than once in a 12 month period. However, the Insurance Company reserves the right to change the rates even during a period for which the rate is guaranteed if any of the following events take place.

1. The terms of the Policy change.
2. A division, subsidiary, affiliated company or eligible class is added or deleted from the Policy.
3. There is a change in the factors bearing on the risk assumed.
4. Any federal or state law or regulation is amended to the extent it affects the Insurance Company's benefit obligation.
5. The Insurance Company determines that the Employer has failed to promptly furnish any necessary information requested by the Insurance Company, or has failed to perform any other obligations in relation to the Policy.

If an increase or decrease in rates takes place on a date that is not a Premium Due Date, a pro rata adjustment will apply from the date of the change to the next Premium Due Date.

Reporting Requirements

The Employer must, upon request, give the Insurance Company any information required to determine who is insured, the amount of insurance in force and any other information needed to administer the plan of insurance.

Payment of Premium

The first premium is due on the Policy Effective Date. After that, premiums will be due monthly unless the Employer and the Insurance Company agree on some other method of premium payment.

If any premium is not paid when due, the plan will be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.

Notice of Cancellation

The Employer may cancel the Policy as of any Premium Due Date by giving 31 days advance written notice. The Insurance Company may cancel the Policy as of any Premium Due Date by giving 180 days advance written notice. If a premium is not paid when due, the Policy will automatically be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.

The Insurance Company may cancel the Policy as of any Premium Due Date if the participation requirements are not met.

Policy Grace Period

A Policy Grace Period of 31 days will be granted for the payment of the required premiums under the Policy. The Policy will be in force during the Policy Grace Period. If the required premiums are not paid during the Policy Grace Period, insurance will end on the last Premium Due Date. The Employer will be liable to the Insurance Company for any unpaid premium for the time the Policy was in force.

Reinstatement of Insurance

An Employee's insurance may be reinstated if it ends because the Employee is on an unpaid leave of absence.

An Employee's insurance may be reinstated only if reinstatement occurs within 12 weeks from the date insurance ends due to an Employer approved unpaid leave of absence. For insurance to be reinstated the following conditions must be met.

1. An Employee must be in a Class of Eligible Employees.
2. The required premium must be paid.
3. A written request for reinstatement must be received by the Insurance Company within 31 days from the date an Employee returns to Active Service.

Reinstated insurance will be effective on the date the Employee returns to Active Service. If an Employee did not fully satisfy the Eligibility Waiting Period or the Pre-Existing Condition Limitation (if any) before insurance ended due to an unpaid leave of absence, credit will be given for any time that was satisfied.

TL-004720 (30287)

GENERAL PROVISIONS

Entire Contract

The entire contract will be made up of the Policy, the application of the Employer, a copy of which is attached to the Policy, and the applications, if any, of the Insureds.

Incontestability

All statements made by the Employer or by an Insured are representations not warranties. No statement will be used to deny or reduce benefits or as a defense to a claim, unless a copy of the instrument containing the statement has been furnished to the claimant. In the event of death or legal incapacity, the beneficiary or representative must receive the copy.

After two years from an Insured's effective date of insurance, or from the effective date of any added or increased benefits, no such statement will cause insurance to be contested except for fraud or eligibility for coverage.

Misstatement of Age

If an Insured's age has been misstated, the Insurance Company will adjust all benefits to the amounts that would have been purchased for the correct age.

Policy Changes

No change in the Policy will be valid until approved by an executive officer of the Insurance Company. This approval must be endorsed on, or attached to, the Policy. No agent may change the Policy or waive any of its provisions.

Workers' Compensation Insurance

The Policy is not in lieu of and does not affect any requirements for insurance under any Workers' Compensation Insurance Law.

Certificates

A certificate of insurance will be delivered to the Employer for delivery to Insureds. Each certificate will list the benefits, conditions and limits of the Policy. It will state to whom benefits will be paid.

Assignment of Benefits

The Insurance Company will not be affected by the assignment of an Insured's certificate until the original assignment or a certified copy of the assignment is filed with the Insurance Company. The Insurance Company will not be responsible for the validity or sufficiency of an assignment. An assignment of benefits will operate so long as the assignment remains in force provided insurance under the Policy is in effect. This insurance may not be levied on, attached, garnisheed, or otherwise taken for a person's debts. This prohibition does not apply where contrary to law.

Clerical Error

A person's insurance will not be affected by error or delay in keeping records of insurance under the Policy. If such an error is found, the premium will be adjusted fairly.

Agency

The Employer and Plan Administrator are agents of the Employee for transactions relating to insurance under the Policy. The Insurance Company is not liable for any of their acts or omissions.

TL-004726

DEFINITIONS

Please note, certain words used in this document have specific meanings. These terms will be capitalized throughout this document. The definition of any word, if not defined in the text where it is used, may be found either in this Definitions section or in the Schedule of Benefits.

Active Service

An Employee will be considered in Active Service with the Employer on a day which is one of the Employer's scheduled work days if either of the following conditions are met.

1. He or she is actively at work. This means the Employee is performing his or her regular occupation for the Employer, either at one of the Employer's usual places of business or at some location to which the Employer's business requires the Employee to travel.
2. The day is a scheduled holiday, vacation day or period of Employer approved paid leave of absence. An Employee is on an approved leave of absence for purposes of this Policy if he/she is on a leave of absence and in receipt of pay from BP.

An Employee is considered in Active Service on a day which is not one of the Employer's scheduled work days only if he or she was in Active Service on the preceding scheduled work day.

Appropriate Care

Appropriate Care means the determination of an accurate and medically supported diagnosis of the Employee's Disability by a Physician, or a plan established by a Physician of ongoing medical treatment and care of the Disability that conforms to generally accepted medical standards, including frequency of treatment and care.

Consumer Price Index (CPI-W)

The Consumer Price Index for Urban Wage Earners and Clerical Workers published by the U.S. Department of Labor. If the index is discontinued or changed, another nationally published index that is comparable to the CPI-W will be used.

Disability Earnings

Any wage or salary for any work performed for any Employer during the Employee's Disability, including commissions, bonus, overtime pay or other extra compensation.

Employee

For eligibility purposes, an Employee is an employee of the Employer in one of the "Classes of Eligible Employees." Otherwise, Employee means an employee of the Employer who is insured under the Policy.

Employer

The Policyholder and any affiliates or subsidiaries covered under the Policy. The Employer is acting as an agent of the Insured for transactions relating to this insurance. The actions of the Employer shall not be considered the actions of the Insurance Company.

Full-time

Full-time means the number of hours set by the Employer as a regular work day for Employees in the Employee's eligibility class.

Good Cause

A medical reason preventing participation in the Rehabilitation Plan or in a Transitional Work Arrangement. Satisfactory proof of Good Cause must be provided to the Insurance Company.

Indexed Covered Earnings

For the first 12 months Monthly Benefits are payable, Indexed Covered Earnings will be equal to Covered Earnings. After 12 Monthly Benefits are payable, Indexed Covered Earnings will be an Employee's Covered Earnings plus an increase applied on each anniversary of the date Monthly Benefits became payable. The amount of each increase will be the lesser of:

1. 10% of the Employee's Indexed Covered Earnings during the preceding year of Disability; or
2. the rate of increase in the Consumer Price Index (CPI-W) during the preceding calendar year.

Injury

Any accidental loss or bodily harm which results directly and independently of all other causes from an Accident.

Insurability Requirement

An eligible person will satisfy the Insurability Requirement for an amount of optional coverage on the day the Insurance Company agrees in writing to accept him or her as insured for that amount. To determine a person's acceptability for optional coverage, the Insurance Company will require evidence of good health and may require it be provided at the Employee's expense.

Insurance Company

The Insurance Company underwriting the Policy is named on the Policy cover page.

Insured

A person who is eligible for insurance under the Policy, for whom insurance is elected, the required premium is paid and coverage is in force under the Policy.

Optimum Ability

1. for the first 24 months that benefits are payable, the greatest extent of work the Employee is able to do in his or her Regular Occupation;
2. after 24 months, the greatest extent of work the Employee is able to do in any occupation based on education, training or experience.

The Employee's ability to work is based on the following:

1. medical evidence submitted by the Employee;
2. consultation with the Employee's Physician;
3. evaluation of the Employee's ability to work by not more than three independent experts if required by the Insurance Company; and
4. an offer of employment that meets the Employee's capacity to do the work is made by an employer.

There is no cost to the Employee for evaluation by an independent expert when required by the Insurance Company to determine Optimum Ability.

The independent expert must be:

1. licensed, registered or certified as required by the laws of the state in which the evaluation is made; and
2. acting within the scope of that license, registration or certificate.

Physician

Physician means a licensed doctor practicing within the scope of his or her license and rendering care and treatment to an Insured that is appropriate for the condition and locality. The term does not include an Employee, an Employee's Spouse, the immediate family (including parents, children, siblings or spouses of any of the foregoing, whether the relationship derives from blood or marriage), of an Employee or spouse, or a person living in an Employee's household.

Prior Plan

The Prior Plan refers to the plan of insurance providing similar benefits to you, sponsored by the Employer and in effect directly prior to the Policy Effective Date. A Prior Plan will include the plan of a company in effect on the day prior to that company's addition to this Policy after the Policy Effective Date.

Qualified Alternative

An occupation that meets all of the conditions that follow:

1. the material duties of the occupation can be performed by the Employee based on his or her training, experience or education;
2. it is within the same geographic area as the Regular Occupation the Employee holds with the Employer on the date the Employee's Disability begins;
3. a job in that occupation is offered to the Employee by the Employer; and
4. the wages for that occupation, including commissions and bonus are 80% or more of the Employee's Indexed Covered Earnings.

Regular Occupation

The occupation the Employee routinely performs at the time the Disability begins. In evaluating the Disability, the Insurance Company will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

Rehabilitation Plan

A professionally developed, written plan designed to enable the Employee to return to work. The Rehabilitation Plan will consist of one or more of the following phases:

1. assessment;
2. rehabilitation, under which the Insurance Company may provide, arrange or authorize educational, vocational or physical rehabilitation or other appropriate services;
3. work, which may include modified work, Transitional Work Arrangements, and work on a part-time basis.

Sickness

Any physical or mental illness.

Transitional Work Arrangement

Work at an occupation for wage or profit offered to the Employee by any employer if all the following conditions are met:

1. the sum of wages, commissions, bonus and other compensation for that work is 20% or more of the Employee's Indexed Covered Earnings;
2. at the time the work is offered, the Employee can perform, with or without accommodation, some or all of the material duties of that occupation; and
3. the Employee is Disabled.

SCHEDULE OF AFFILIATES

The following affiliates are covered under the Policy as of January 1, 2001.

Affiliate Name

BP Amoco Corporation
Amoco Oil Company (Maryland)
Amoco Mktg. Environmental Services Co.
Dome Petroleum Corporation
Amoco Environmental Services Co.
Amoco Chemical Company
Amoco Polymers, Inc.
Amoco Fabrics and Fibers Company
Amoco Remediation Mgmt. Services Corp.
Imperial Casualty & Indemnity Company
Amoco Production Company
Amoco Pipeline Company
BP America Inc.
BP America Chemicals Company
BP Chemicals Inc.
BP Exploration (Alaska) Inc.
BP Oil Supply Company
BP Exploration & Oil Inc.
BP Oil Pipeline Company
Amoco Fabric and Fibers Ltd. (Canada)

TL-004776

**LIFE INSURANCE COMPANY OF NORTH AMERICA
PHILADELPHIA, PENNSYLVANIA**

We, BP Amoco Corporation Welfare Plan Trust III, whose main office address is Chicago, IL, hereby apply to the Life Insurance Company of North America for Policy Number LK-030287.

We approve and accept the terms of this Policy.

This application is to be signed in duplicate. One part is to be attached to the Policy; the other part is to be returned to the Life Insurance Company of North America.

This application supersedes any previous application for this Policy.

BP Amoco Corporation Welfare Plan Trust III
(Full or Corporate Name of Applicant)

Signed at _____ By _____
(Signature and Title)

On _____ Witness _____
(To be signed by Licensed Resident Agent where required by law)
(This Copy Is To Remain Attached To The Policy)

TL-004778

**LIFE INSURANCE COMPANY OF NORTH AMERICA
PHILADELPHIA, PENNSYLVANIA**

We, BP Amoco Corporation Welfare Plan Trust III, whose main office address is Chicago, IL, hereby apply to the Life Insurance Company of North America for Policy Number LK-030287.

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This application supersedes any previous application for this Policy.

BP Amoco Corporation Welfare Plan Trust III
(Full or Corporate Name of Applicant)

Signed at _____ By _____
(Signature and Title)

On _____ Witness _____
(To be signed by Licensed Resident Agent where required by law)
(This Copy Is To Be Returned To Us)

TL-004778

NOTICE

This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following:

Illinois Department of Insurance
Consumer Division or Public Services Section
Springfield, Illinois 62767

OR

Life Insurance Company of North America
1601 Chestnut Street
Philadelphia, Pennsylvania 19192
1-800-441-1832

**ILLINOIS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION LAW**

Residents of Illinois who purchase health insurance, life insurance, and annuities should know that the insurance companies licensed in Illinois to write these types of insurance are members of the Illinois Life and Health Insurance Guaranty Association. The purpose of this Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its policy obligations. If this should happen, the Association will assess its other member insurance companies for the money to pay the covered claims of policyholders that live in Illinois (and their payees, beneficiaries, and assignees) and, in some cases, to keep coverage in force. The valuable extra protection provided by insurers through the Association is not unlimited, however, as noted in below.

**ILLINOIS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION DISCLAIMER**

The Illinois Life and Health Insurance Guaranty Association provides coverage of claims under some types of policies if the insurer becomes impaired or insolvent. **COVERAGE MAY NOT BE AVAILABLE FOR YOUR POLICY.** Even if coverage is provided, there are substantial limitations or exclusions. Coverage is generally conditioned on continued residence in Illinois. Other conditions may also preclude coverage.

You should not rely on availability of coverage under the Life and Health Insurance Guaranty Association Law when selecting an insurer. Your insurer and agent are prohibited by law from using the existence of the Association or its coverage to sell you an insurance policy.

The Illinois Life and Health Insurance Guaranty Association or the Illinois Department of Insurance will respond to any questions you may have which are not answered by this document. Policyholders with additional questions may contact:

Illinois Life and Health Insurance
Guaranty Association
8420 West Bryn Mawr Avenue
Chicago, Illinois 60631
(312) 714-8080

Illinois Department of Insurance
320 West Washington Street
4th Floor
Springfield, Illinois 62767
(217) 782-4515

Summary of General Purposes and Current Limitations of Coverage

The Illinois law that provides for this safety-net coverage is called the Illinois Life and Health Insurance Guaranty Association Law ("Law") [215 ILCS 5/531.01, et seq.]. The following contains a brief summary of the Law's coverages, exclusions and limits. This summary does not cover all provisions, nor does it in any way change anyone's rights or obligations under the Law or the rights or obligations of the Guaranty Association.

a) Coverage:

The Illinois Life and Health Insurance Guaranty Association provides coverage to policyholders that reside in Illinois for insurance issued by members of the Guaranty Association, including:

- 1) life insurance, health insurance, and annuity contracts;
 - 2) life, health or annuity certificates under direct group policies or contracts;
 - 3) unallocated annuity contracts; and
 - 4) contracts to furnish health care services and subscription certificates for medical or health care services issued by certain licensed entities.
- The beneficiaries, payees or assignees of such persons are also protected, even if they live in another state.

b) Exclusions from Coverage:

The Guaranty Association does not provide coverage for:

- 1) any policy or portion of a policy for which the individual has assumed the risk;
- 2) any policy of reinsurance unless an assumption certificate was issued;
- 3) interest rate guarantees which exceed certain statutory limitations;
- 4) certain unallocated annuity contracts issued to an employee benefit plan protected under the Pension Benefit Guaranty Corporation and any portion of a contract which is not issued to or in connection with a specific employee, union or association or natural persons benefit plan or government lottery;
- 5) any portion of a variable life insurance or variable annuity contract not guaranteed by an insurer; or
- 6) any stop loss insurance.

In addition, persons are not protected by the Guaranty Association if:

- 1) the Illinois Director of Insurance determines that, in the case of an insurer which is not domiciled in Illinois, the insurer's home state provides substantially similar protection to Illinois residents which will be provided in a timely manner; or
- 2) their policy was issued by an organization which is not a member insurer of the Association.

c) Limits on Amounts of Coverage:

- 1) The law also limits the amount the Illinois Life and Health Insurance Guaranty Association is obligated to pay. The Guaranty Association's liability is limited to the lesser of either:

- A) the contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer, or
- B) with respect to any one life, regardless of the number of policies, contracts, or certificates:
 - i) in the case of life insurance, \$300,000 in death benefits but not more than \$100,000 in net cash surrender or withdrawal values;
 - ii) in the case of health insurance, \$300,000 in health insurance benefits, including net cash surrender or withdrawal values; and
 - iii) with respect to annuities, \$100,000 in the present value of annuity benefits, including net cash surrender or withdrawal values, and \$100,000 in the present value of annuity benefits for individuals participating in certain government retirement plans covered by an unallocated annuity contract. The limit for coverage of unallocated annuity contracts other than those issued to certain governmental retirement plans is \$5,000,000 in benefits per contract holder, regardless of the number of contracts.

- 2) However, in no event is the Guaranty Association liable for more than \$300,000 with respect to any one individual.